

George Richard Fourson, Jr.  
 Louis Wayne Fox  
 Homer Jarrell Gibbs  
 Gall Edward Goodloe, Jr.  
 William Joseph Gunter  
 Alan Bates Harriman  
 Gordon James Hasenel  
 Phillip Eugene Hoover  
 Phillip Frank Hudson  
 William Jackson Huff  
 Kenneth Arthur Ingram  
 Albert William Jenrette  
 Robert August Kaiser  
 Stephen John Kasa  
 Lee Frederick Kleese  
 Frank Ulrich Lahde  
 Charles Donald Leamy  
 Lawrence Joseph Logsdon  
 Michael Joseph Lynch  
 T. J. Mawhorter, Jr.  
 Byron Arthur McBride  
 James Patrick McCormick  
 Ingram Blair McLeod, Jr.  
 George Edward Meany  
 George William Nelson, Jr.  
 Landy Thomas Nelson  
 Thomas Edward Nevotti  
 Charles Goodwin Pearcy  
 Peteris Prikals, Jr.  
 Bruce Allen Restel  
 Richard Floyd Rouse  
 Ray William Rowney, Jr.  
 James Harold Sang  
 Shaun James Scanlon  
 Norville Herbert Schock  
 Charles Jacob Schreiner  
 Thomas Jefferson Smith  
 Tommy Jan Stacy  
 William James Stephens  
 Michael Bernard Stupka  
 James LeRoy Stutesman  
 Joseph Albert Tache  
 Normand Andre Trudeau  
 James Patrick Ward  
 Gerald Michael Wharton  
 Lewis Harlow Whitaker, Jr.  
 Wayne Martin Wicker  
 Lyons Hunter Williams III  
 Jon Lee Woodside

## HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 29, 1960

The House met at 12 o'clock noon.  
 The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

*Ephesians 6: 10: Finally, my brethren, be strong in the Lord, and in the power of His might.*

Eternal God, our Father, we thank Thee for the great homing instinct of our soul which constrains us to seek Thee in prayer for Thou art the source of our strength and hope for each new day.

Grant that we may yield ourselves in faithful obedience and unflinching loyalty to Thy Holy will that we may be partakers of its power and be liberated from those temptations and tendencies which thwart and defile the sanctity of human life.

May we desire and choose decisively those highest values as manifested in the teachings of our blessed Lord and hold them with unwavering fidelity at any cost and to the very end of all our days.

Help us cling with ardent zeal to the faith that will make us victorious and may our character and conduct always coincide with our creed and what we profess to believe.

We offer our prayer through the merits and mediations of our Saviour. Amen.

### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 6108. An act to provide for the establishment of the Arkansas Post National Memorial in the State of Arkansas.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1157. An act to provide for promotion of economic and social development in the Ryukyu Islands;

H.R. 3524. An act for the relief of Sister Carolina (Antonietta Vallo), Sister Noemi (Francesca Carbone), Sister Marta (Sabina Guglielmi), Sister Rafaella (Angela Siculo), Sister Maria Annunziata (Teresa Carbone), and Sister Marisa (Carolina Nutricati);

H.R. 4386. An act to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap;

H.R. 5040. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 5055. An act to change a certain restriction on the use of certain real property heretofore conveyed to the city of St. Augustine, Fla., by the United States;

H.R. 5098. An act to provide for the application and disposition of net revenues from the power development on the Grand Valley Federal reclamation project, Colorado;

H.R. 6179. An act to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr.;

H.R. 6556. An act to amend subdivision c of section 39 of the Bankruptcy Act (11 U.S.C. 67c) so as to clarify time for review of orders of referees;

H.R. 6597. An act to revise the boundaries of Dinosaur National Monument and provide an entrance road or roads thereto, and for other purposes;

H.R. 7033. An act for the relief of Jack Darwin;

H.R. 9702. An act to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office;

H.R. 10500. An act to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service;

H.R. 11602. An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes; and

H.R. 12200. An act to amend title 10, United States Code, to authorize reduction in enlisted grade upon approval of certain court-martial sentences, and for other purposes.

The message also announced that the Senate had passed bills, joint resolu-

tions, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1758. An act for the relief of Ralph E. Swift and his wife, Sally Swift;

S. 1701. An act for the relief of Hajime Asato;

S. 2201. An act to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities";

S. 2363. An act to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons, and for other purposes;

S. 2429. An act to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, as amended;

S. 2626. An act for the relief of Zlata Dumiljan and Djuno (George) Kasur;

S. 2757. An act to supplement the act of June 14, 1926, as amended, to permit any State to acquire certain public lands for recreational use;

S. 2806. An act to revise the boundaries of the Coronado National Memorial and to authorize the repair and maintenance of an access road thereto, in the State of Arizona, and for other purposes;

S. 2872. An act for the relief of Ennis Craft McLaren;

S. 2914. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways;

S. 2932. An act to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody;

S. 2959. An act to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit;

S. 3030. An act for the relief of Michiko (Hirai) Christopher;

S. 3076. An act for the relief of Daisy Pong Hi Tong Li;

S. 3108. An act to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law, and for other purposes;

S. 3118. An act for the relief of Hadji Benlevi;

S. 3169. An act for the relief of Edward C. Tonsmeire, Jr.;

S. 3195. An act to exempt from taxation certain property of the Army Distaff Foundation;

S. 3212. An act to direct the Secretary of the Interior and the Administrator of General Services to convey certain public and acquired lands in the State of Nevada to the County of Mineral, Nev.;

S. 3260. An act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas;

S. 3264. An act to abolish the Arlington Memorial Amphitheater Commission;

S. 3267. An act to amend the act of October 17, 1940, relating to the disposition of certain public lands in Alaska;

S. 3357. An act for the relief of Renato Granduc and Grazia Granduc;

S. 3399. An act to authorize the exchange of certain property within Shenandoah National Park, in the State of Virginia, and for other purposes;

S. 3406. An act for the relief of Edward W. Scott III;

S. 3408. An act for the relief of Mrs. Maria Giovanna Hopkins;

S. 3416. An act to provide for the restoration to the United States of amounts expended in the District of Columbia in carrying out the Temporary Unemployment Compensation Act of 1958;

S. 3506. An act for the relief of Athanisia G. Koumoutsos;

S. 3558. An act to authorize and direct the transfer of certain Federal property to the Government of American Samoa;

S. 3623. An act to designate and establish that portion of the Hawaii National Park on the island of Maui, in the State of Hawaii, as the Haleakala National Park, and for other purposes;

S. 3648. An act to authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency title to certain real property in said District;

S. 3650. An act to supplement and amend the act of June 30, 1948, relative to the Fort Hall Indian irrigation project, and to approve an order of the Secretary of the Interior issued under the act of June 22, 1936;

S. 3714. An act to authorize adjustments in accounts of outstanding old series currency, and for other purposes;

S. 3733. An act to place the Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates;

S.J. Res. 68. Joint resolution providing for the establishment of the New Jersey Tercentenary Celebration Commission to formulate and implement plans to commemorate the 300th anniversary of the State of New Jersey, and for other purposes;

S.J. Res. 152. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson;

S.J. Res. 176. Joint resolution authorizing the preparation and printing of a revised edition of the Constitution of the United States of America—Analysis and Interpretation, published in 1953 as Senate Document No. 170 of the 82d Congress;

S.J. Res. 186. Joint resolution to provide for the designation of the first Tuesday after the first Monday in November of each year as "National Voters' Day";

S.J. Res. 202. Joint resolution providing for the designation of the week commencing October 2, 1960, as "National Public Works Week";

S.J. Res. 203. Joint resolution to designate the first day of May each year as Law Day in the United States of America;

S.J. Res. 209. Joint resolution providing for the establishment of an annual National Forest Products Week; and

S. Con. Res. 107. Concurrent resolution providing for printing for the use of the Senate Committee on the Judiciary additional copies of certain publications of its Internal Security Subcommittee;

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1283. An act to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use;

S. 1886. An act to amend the Communications Act of 1934 with respect to certain re-broadcasting activities; and

S. 747. An act to provide for the conveyance of certain lands which are a part of the Des Plaines Public Hunting and Refuge Area and the Joliet Arsenal Military Reservation, located in Will County, Ill., to the State of Illinois.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2669) entitled "An act to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ENGLE, Mr. BARTLETT, and Mr. BUTLER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11748) entitled "An act to continue until the close of June 30, 1961, the suspension of duties on metal scrap, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. FREAR, Mr. ANDERSON, Mr. WILLIAMS of Delaware, and Mr. CARLSON, to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4049) entitled "An act to amend the Federal Aviation Act of 1958 in order to authorize free or reduce-rate transportation for certain additional persons."

#### DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1961

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight to file a conference report on the bill (H.R. 11998) making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### GENERAL GOVERNMENT AGENCIES APPROPRIATION BILL, 1961

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 11389) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### RECESS

The SPEAKER. The Chair declares a recess, subject to the call of the Chair.

Accordingly (at 12 o'clock and 4 minutes p.m.), the House stood in recess subject to the call of the Chair.

#### JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO HEAR AN ADDRESS BY HIS MAJESTY KING BHUMIBOL ADULYADEJ OF THAILAND

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 22 minutes p.m. the Doorkeeper announced the Vice President of the United States and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort His Majesty the King of Thailand into the Chamber, the gentleman from Massachusetts, Mr. McCORMACK; the gentleman from Indiana, Mr. HALECK; the gentleman from Pennsylvania, Mr. MORGAN; and the gentleman from Illinois, Mr. CHIPFIELD.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Texas, Mr. JOHNSON; the Senator from Montana, Mr. MANSFIELD; the Senator from Arkansas, Mr. FULBRIGHT; the Senator from Illinois, Mr. DIRKSEN; and the Senator from Wisconsin, Mr. WILEY.

The Doorkeeper announced the following guests who entered the Hall of the House of Representatives and took the seats reserved for them:

The Ambassadors, Ministers, and Charges d'Affaires of foreign governments.

The members of the President's Cabinet.

At 12 o'clock and 30 minutes p.m. the Doorkeeper announced His Majesty the King of Thailand.

His Majesty the King of Thailand, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, we receive in this Chamber today the head of a government whose people are gracious and friendly, friends to us. We want him to know that in this Chamber where all the people of the United States of America are represented, he is welcome, very welcome.

I present to you His Majesty, the King of Thailand. [Applause, the Members rising.]

#### ADDRESS BY HIS MAJESTY KING BHUMIBOL ADULYADEJ OF THAILAND

The KING OF THAILAND. Mr. President, Mr. Speaker, and Members of Congress, it is a privilege and a pleasure for me to address you in this stately building, which is the scene of many grave decisions in the history of your great country and, I may even say, of the world.

When the President of the United States kindly invited me to visit this

country, I was happy to accept; and was glad to travel halfway round the world in order to be here. My reason is threefold. I would like to mention them briefly to you and, through you, to the people of the United States.

First, I have long desired to see and learn more of your country. When I hear of intolerance and oppression in so many parts of the world, I want to know how, in this country, millions of people, differing in race, tradition, and belief, can live together freely and in happy harmony. [Applause.] I want to know how these millions, scattered over a large territory, can agree upon the major issues in the complicated affairs of this world, and how, in short, can they tolerate each other at all.

Second, I wished to bring to you, in person, the greetings and good will of my own people. [Applause.] Although the Americans and the Thai live on opposite sides of the globe, yet there is one thing common to them. It is the love of freedom. [Applause.] Indeed, the word "Thai" actually means free. The kind reception which I am enjoying in this country enables me to take back to my people your friendship and good will. Friendship of one government for another is an important thing. But it is friendship of one people for another that assuredly guarantees peace and progress.

Third, I have the natural human desire to see my birthplace. [Applause.] I expect some of you here were also born in Boston; [applause] or, like my father, were educated at Harvard. [Applause.] I hasten to congratulate such fortunate people. I am sure that they are with me in spirit. We share a sentiment of deep pride in the academic and cultural achievements of that wonderful city. [Applause.]

Just as in ancient days all roads led to Rome, so today they lead to Washington. [Applause.] And now that I am here, I should like to say something about two subjects which are fundamentally important to my country, namely, security and development.

As I look at history, I see mighty military empires rise, through conquest and subjection of alien peoples. I see them decline and fall, when the subject peoples threw off their yoke. It is only in this present century that we find a great military power refrain from war, except for the defense of right and peace. I refer to the United States of America. [Applause.] This signal example is a long step forward toward the security of mankind.

You, of course, know by heart all the words of President Lincoln's address at Gettysburg. They lay down basic principles which should inspire the conduct of all nations and all governments. One of those principles is contained in the following words, "a new nation, conceived in liberty and dedicated to the proposition that all men are created equal."

In accordance with that broadminded proposition, your people have given, by their own sovereign will, full freedom and equity to a southeast Asian nation. When a Far Eastern country was being

overwhelmed by a war for its oppression, the United States without hesitation went to war to save that country. There Thai soldiers fought side by side with your GI's. [Applause.] It is such prompt actions as this that have given great encouragement and confidence to a small country like mine. Furthermore, U.S. initiative has brought forth SEATO, the international alliance which is the pillar of my country's security.

When a country feels reasonably confident of its own security, it can devote more attention to economic development. As you are all aware, my country is classified as underdeveloped. The average income of a Thai is only about \$100 a year. You will understand what great urgent need there is to increase the income and raise the living standard of my people.

One of the handicaps of countries in our region is the lack of capital and technical know-how. It is at this point that the United States has so generously come to our assistance. And here I should like to refer to the economic and technical cooperation agreement between our respective Governments. Its preamble states that liberty and independence depend largely upon sound economic conditions. It then goes on to say:

The Congress of the United States of America has enacted legislation enabling the United States of America to furnish assistance in order that the Government of Thailand, through its own individual efforts, may achieve such objectives.

In that preamble, there is one concept that needs to be emphasized. American assistance is to enable the Thai to achieve their objectives through their own efforts. I need hardly say that this concept has our complete endorsement. Indeed, there is a precept of the Lord Buddha which says: "Thou art thine own refuge." We are grateful for American aid; but we intend one day to do without it. [Applause.]

This leads me to a question in which some of you may be interested. The question is: What do we Thai think of U.S. cooperation? I shall try to explain my view as briefly as I can.

In my country there is one widely accepted concept. It is that of family obligations. The members of a family, in the large sense, are expected to help one another whenever there is need for assistance. The giving of aid is a merit in itself. The giver does not expect to hear others sing his praises every day; nor does he expect any return. The receiver is nevertheless grateful. He too, in his turn, will carry out his obligations.

In giving generous assistance to foreign countries, the United States are, in my Thai eyes, applying the old concept of family obligations upon the largest scale. The nations of the world are being taught that they are but members of one big family; that they have obligations to one another; and that they are closely interdependent. It may take a long time to learn this lesson. But when it has been truly learned, the prospects of world peace will become bright. [Applause.]

Some of you may recall that my great-grandfather, King Mongkut, was in communication with President Buchanan during the years 1859 to 1861—100 years ago. President Buchanan sent him a letter dated May 10, 1859, with a consignment of books in 192 volumes. The king was very pleased with the books and in a letter dated the 14th of February 1861, he sent certain presents in return as gifts to the American people and an offer that became historic.

At that period, there was much demand for elephants in our and neighboring countries. Elephants had been sent to Ceylon, Sumatra, and Java and turned loose in the jungles for breeding purposes, and the result is that elephants are plentiful in those countries.

In the past, elephants had great potentialities. From the economic point of view, they could be used in the timber industry for hauling big logs and other heavy materials, like tractors do in present days. As they could go through thick jungles, they were also used as beasts of burden for transport purposes. And in view of their enormous size and strength, in time of war they struck awe into the enemies. Since elephants could be put to such various good uses and since they were available in large number in our country, as a friendly gesture to a friendly people, my great-grandfather offered to send the President and Congress elephants to be turned loose in the uncultivated land of America for breeding purposes. [Applause.]

That offer was made with no other objective than to provide a friend with what he lacked, in the same spirit in which the American aid program is likewise offered. And understanding and appreciating the sentiment underlying your aid program, the Thai Government welcomes the program and is grateful for it. [Applause.]

Our two countries have had the best of relations. They started with the coming of your missionaries who shared with our people the benefits of modern medicine and the knowledge of modern science. This soon led to official relations and to a treaty between the two nations. That treaty dates as far back as 1833.

It can be said that from the beginning of our relationship right up to the present time no conflict of any kind has arisen to disturb our cordial friendship and understanding. [Applause.] On the contrary there has been mutual good will and close cooperation between our two countries. In view of the present world tension and the feeling of uncertainty apparent everywhere, it is my sincere feeling that the time is ripe for an even closer cooperation. It will demonstrate to the world that we are one in purpose and conviction, and it can only lead to one thing—mutual benefit.

I thank you for your kind indulgence. [Applause, the Members rising.]

At 12 o'clock and 53 minutes p.m. His Majesty King Bhumibol Adulyadej of Thailand, accompanied by the committee of escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

#### JOINT MEETING DISSOLVED

The SPEAKER. The Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 12 o'clock and 55 minutes p.m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock and 45 minutes p.m.

#### AUTHORIZATION TO PRINT PROCEEDINGS HAD DURING RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### AID FOR AGRICULTURE IMPERATIVE

Mr. CANNON. Mr. Speaker, this Congress cannot adjourn until it has done something to preserve American agriculture.

Every man who works in America today, no matter what his job, whether he works in the countinghouse or digs a ditch, is receiving not less than three times the income he received at the close of the war. And yet every farmer who works today—working longer than anybody else—and under more unfavorable conditions, he and his wife and his children, working from dawn until dusk, is receiving less than one-third of what he got at the close of the war.

An hour's labor today under any schedule, will buy more and better food than it ever bought before in the history of the world.

Mr. Speaker, how can you account for this remarkable situation? Why is everybody in America receiving larger and larger incomes these years of the Nation's greatest prosperity—while the farmer is receiving less and less.

The answer is written on the statute books of the United States Congress. Transportation is charging higher rates by virtue of laws passed by Congress and signed by the President. Labor is able to fix its wages by reason of laws passed by Congress and signed by the President. Finance is able to establish rates because of laws passed by Congress. Every class and profession, without exception, is able to control and increase its income through the operation of artificial supports provided in special interest legislation.

The farmer is the only exception. He alone has no voice in adjusting the price of what he buys and what he sells.

Why has this House in this session of Congress—and in every session of Congress—regularly passed bills and enacted laws to increase the income of millions who are already paid far above their war incomes while it has refused to do anything for the farmers who are receiving less than a third of what they got during the war?

Mr. Speaker why is the farmer being thrown to the wolves? Every man here who ate breakfast this morning sponged on the farmer—paid half for his breakfast and charged the other half to the farmer.

The farmer is subsidizing the breakfast table of every family in America.

The consumers of the Nation are robbing the farmer of billions of dollars which he and his wife and his children have earned by backbreaking and heart-breaking work and disappointment—and then turn around and charge him \$3,500 for a tractor which he bought for \$1,500 when he was getting three times what he is getting for hogs and chickens today.

Mr. Speaker, the laborer is worthy of his hire. Let the Members of the House take down their Bibles—and dust them off—and observe the 8th Commandment by enacting legislation that will do for the farmer what they have already done for every other segment of our national economy.

Mr. Speaker, Congress cannot adjourn until it has passed a farm bill.

#### CALENDAR WEDNESDAY

The SPEAKER. This is the day for the calling of the calendar of committees. The Clerk will call the first eligible committee.

The Clerk called the Committee on Education and Labor.

Mr. BARDEN. The Committee on Education and Labor passes.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further proceedings under Calendar Wednesday proceedings be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### ECONOMIC AND SOCIAL DEVELOPMENT OF THE RYUKYU ISLANDS

Mr. PRICE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1157) to provide for promotion of economic and social development in the Ryukyu Islands, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out all after line 17 over to and including line 3 on page 4 and insert:

"SEC. 4. There is hereby authorized to be appropriated not to exceed \$6,000,000 in any fiscal year for obligation and expenditure in accordance with programs approved by the President, for: (a) promoting the economic development of the Ryukyu Islands and improving the welfare of the inhabitants thereof; (b) reimbursing the Government of the Ryukyu Islands for services performed for

the benefit of and by reason of the presence of the Armed Forces of the United States within the Ryukyu Islands, including but not limited to reimbursement for such services in the fields of public health and safety, in annual amounts which may be paid in advance to the Government of the Ryukyu Islands; and (c) emergency purposes related to typhoons or other disasters in the Ryukyu Islands. Preference shall be given to programs in which the Government of the Ryukyu Islands participates by sharing part of the costs or contributing other resources."

Page 4, line 4, strike out "6" and insert "5".

Page 4, line 10, strike out "7" and insert "6".

Page 4, line 13, strike out "8" and insert "7".

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The amendments were concurred in.

A motion to reconsider was laid on the table.

#### INTERNATIONAL DEVELOPMENT ASSOCIATION

The SPEAKER. The unfinished business is the vote on the motion to recommit the bill (H.R. 11001) to provide for the participation of the United States in the International Development Association.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill, H.R. 11001, to the House Committee on Banking and Currency.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes had it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 249, nays 158, not voting 24, as follows:

[Roll No. 162]

YEAS—249

Addonizio	Blatnik	Clark
Albert	Boggs	Coffin
Andersen,	Boland	Cohelan
Minn.	Bolling	Collier
Arends	Bolton	Conte
Ashley	Bowles	Cook
Aspinall	Brademas	Corbett
Auchincloss	Breeding	Cramer
Avery	Brewster	Curtis, Mass.
Ayres	Broomfield	Curtis, Mo.
Baker	Brown, Ga.	Daddario
Baldwin	Burke, Ky.	Daniels
Barr	Burke, Mass.	Davis, Tenn.
Barrett	Byrne, Pa.	Delaney
Barry	Byrnes, Wis.	Diggs
Bass, N.H.	Cahill	Dingell
Bates	Canfield	Dixon
Baumhart	Cederberg	Dooley
Becker	Celler	Dorn, N.Y.
Beckworth	Chamberlain	Doyle
Belcher	Chenoweth	Dwyer
Bennett, Fla.	Chipperfield	Evins
Bentley	Church	Fallon

Farbstein	Gluczynski	Quigley
Fascell	Kowalski	Rabaut
Feighan	Lane	Rains
Fino	Langen	Randall
Flood	Lankford	Ray
Fogarty	Lesinski	Reece, Tenn.
Foley	Libonati	Reuss
Forand	Lindsay	Rhodes, Pa.
Ford	McCormack	Riehlman
Fountain	McDonough	Rivers, Alaska
Frelinghuysen	McDowell	Rodino
Friedel	McFall	Rogers, Mass.
Fulton	McGovern	Rooney
Gallagher	Macdonald	Roosevelt
Garmatz	Machrowicz	Rostenkowski
Gary	Mack	Roush
Gathings	Madden	Rutherford
Gialmo	Magnuson	St. George
Gilbert	Mahon	Santangelo
Glenn	Mailliard	Saund
Goodell	Marshall	Saylor
Granahan	Martin	Schneebell
Green, Oreg.	Matthews	Schwengel
Green, Pa.	May	Shelley
Griffin	Meador	Sheppard
Griffiths	Morrow	Sikes
Gubser	Metcalf	Sisk
Hagen	Meyer	Smith, Iowa
Halleck	Miller, Clem	Smith, Miss.
Halpern	Miller,	Smith, Va.
Hargis	George, P.	Spence
Harrison	Miller, N.Y.	Springer
Healey	Milliken	Steed
Hebert	Mills	Stubblefield
Hechler	Mitchell	Sullivan
Herlong	Monagan	Taylor
Hess	Moorhead	Teague, Calif.
Hiestand	Morgan	Teller
Holland	Morrison	Thomas
Holtzman	Moss	Thompson, N.J.
Horan	Multer	Thompson, Tex.
Hosmer	Murphy	Thornberry
Ikard	Natcher	Toll
Inouye	Nelsen	Trimble
Irwin	Nix	Udall
Jarman	O'Brien, Ill.	Ullman
Johnson, Colo.	O'Brien, N.Y.	Vanik
Johnson, Md.	O'Hara, Ill.	Van Pelt
Johnson, Wis.	O'Hara, Mich.	Wainwright
Judd	O'Neill	Wallhauser
Karsten	Osmer	Walter
Karth	Ostertag	Weiss
Kasam	Pelly	Widnall
Kastenmeier	Pfost	Wier
Kearns	Pirnie	Wilson
Keith	Porter	Wright
Kelly	Powell	Yates
Kilburn	Price	Young
Kilday	Prokop	Zablocki
Kilgore	Pucinski	Zelenko
King, Calif.	Quie	

## NAYS—158

Abbutt	Dorn, S.C.	Kyl
Abernethy	Dowdy	Lafore
Adair	Downing	Laird
Alexander	Dulski	Landrum
Alger	Durham	Latta
Allen	Elliot	Lennon
Andrews	Everett	Levering
Ashmore	Fenton	Lipscomb
Bailey	Fisher	Loser
Barden	Flynn	McCulloch
Baring	Flynt	McIntire
Bass, Tenn.	Forrester	McMillan
Bennett, Mich.	Gavin	Michel
Berry	George	Minshall
Betts	Grant	Moeller
Blitch	Gray	Montoya
Bonner	Gross	Moore
Bosch	Haley	Morris, N. Mex.
Bow	Hardy	Moulder
Boykin	Harmon	Murray
Bray	Harris	Norblad
Brock	Hays	O'Konski
Brooks, La.	Hemphill	Oliver
Brooks, Tex.	Henderson	Passman
Brown, Mo.	Hoeven	Patman
Brown, Ohio	Hoffman, Ill.	Perkins
Broyhill	Hoffman, Mich.	Philbin
Budge	Hogan	Pilcher
Burleson	Holifield	Pillion
Cannon	Holt	Poage
Casey	Huddleston	Poff
Cheif	Hull	Preston
Coad	Jennings	Rees, Kans.
Colmer	Jensen	Rhodes, Ariz.
Cooley	Johansen	Riley
Cunningham	Johnson, Calif.	Rivers, S. C.
Curtin	Jonas	Roberts
Dague	Jones, Ala.	Robison
Dent	Jones, Mo.	Rogers, Colo.
Denton	Kee	Rogers, Fla.
Derounian	King, Utah	Rogers, Tex.
Derwinski	Kirwan	Schenck
Devine	Kitchin	Scherer
Donohue	Knox	Scott

Selden	Taber	Weaver
Shipley	Teague, Tex.	Westland
Short	Thomson, Wyo.	Wharton
Siler	Tollefson	Whitener
Simpson	Tuck	Whitten
Slack	Utt	Williams
Smith, Calif.	Van Zandt	Winstead
Smith, Kans.	Wampler	Wolf
Stratton	Watts	

## NOT VOTING—24

Alford	Edmondson	Norrell
Anderson,	Frazier	Staggers
Mont.	Jackson	Thompson, La.
Anfuso	Keogh	Vinson
Buckley	McGinley	Willis
Burdick	McSweeney	Withrow
Carnahan	Mason	Younger
Davis, Ga.	Morris, Okla.	
Dawson	Mumma	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Younger for, with Mr. Mason against.  
Mr. Thompson of Louisiana for, with Mr. Mumma against.

Until further notice:

Mr. Keogh with Mr. Jackson.  
Mr. Buckley with Mr. Withrow.

Mr. SHIPLEY changed his vote from "yea" to "nay."

Mr. PIRNIE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3074) to provide for the participation of the United States in the International Development Association, to strike out all after the enacting clause, and insert the provisions of the bill (H.R. 11001) to provide for the participation of the United States in the International Development Association, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Speaker, I object.

## SUGAR LEGISLATION

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my remarks, and to include the amendment to the sugar bill which will come before the House for consideration at an early date. This is a very brief explanation.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, the Rules Committee today cleared for House consideration H.R. 12311, the bill to extend the Sugar Act in modified form. The rule provides for 1 hour of general debate and permits the offering of only one amendment, to be submitted by the Committee on Agriculture.

So that the Members of the House may be thoroughly aware of the provisions of the bill including the proposed committee amendment, I submit here for the RECORD a brief summary, along with a copy of the bill amended, as follows:

First. A 1-year extension of the act to December 31, 1961.

Second. Presidential authority to establish—whether Congress is in session or not—the sugar quota for Cuba for the balance of 1960 and for 1961 at such level as the President shall find from time to time to be in the national interest, but in no event in excess of the Cuban quota under present law. If the President sets the Cuban quota at less than present law, the reduction would be reapportioned as follows: (a) An amount equivalent to Cuba's share in the domestic deficit may be assigned exclusively to the domestic area; and then (b) to five nations whose quota is presently between 3,000 and 10,000 tons a sufficient quantity of sugar to bring each of them up to 10,000 tons. These nations are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China; and then (c) to the Philippine Islands 15 percent of the remainder; and then (d) to the full duty nations having quotas under the act—except those five nations mentioned in (b) above—the remaining 85 percent in amounts prorated according to the quotas established by the act; and then (e) to any other foreign nations without regard to allocations.

The President also would have authority to obtain refined sugar if raw sugar was unavailable.

Third. A technical amendment recognizing Hawaii's full status as a State.

Fourth. A permanent change in the law which gives the Secretary of Agriculture the authority to reduce for the then current calendar year the quota of a foreign nation or an area, if that nation or area is unwilling or unable to meet its quota. The Secretary could reduce the nation's or area's quota by the amount of the deficit declared against it. This provision would prevent a country or area which had failed to fill its quota from disorganizing the U.S. market by shipping its full quota after a deficit had been declared against it.

Fifth. A provision applicable to the 1961 crop only which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits.

## H.R. 12311

A bill to extend for one year the Sugar Act of 1948, as amended

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the Act) is amended by striking out "1960" in each place it appears therein and inserting in lieu thereof "1961".*

SEC. 2. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "1961" in each place it appears therein and inserting in lieu thereof "1962".

SEC. 3. Section 204(c) of the Sugar Act of 1948, as amended (relating to proration of deficits), is amended by striking out "shall not be reduced" and inserting "may be reduced".

SEC. 4. Section 302(b) of the Sugar Act of 1948, as amended (relating to the establishment of proportionate shares for farms), is amended by striking out the period at the end of the first sentence and inserting a colon and the following: *Provided, That 75 percent of any increase in proportionate shares in any area where restrictions are in*

effect for the 1961 crop year over the total of restricted proportionate shares established for such area in the preceding year, less any shares arising from the 1960 growth factor, shall be reserved for new producers.

SEC. 5. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended to designate such section as subsection "(a)"; and to add a new subsection "(b)" as follows:

"(b) Notwithstanding the provisions of title II of this Act, for the period ending December 31, 1961:

"(1) The President shall determine, notwithstanding any other provisions of title II, the quota for Cuba for the balance of calendar year 1960 and for calendar year 1961 in such amount or amounts as he shall find from time to time to be in the national interest: *Provided, however,* That in no event shall such quota at any time exceed such amount as would be provided for Cuba under the terms of title II in the absence of the amendments made herein, and such determinations shall become effective immediately upon publication in the Federal Register of the President's proclamation thereof;

"(2) For the purposes of meeting the requirements of consumers in the United States, the President is thereafter authorized to cause or permit to be brought or imported into or marketed in the United States, at such times and from such sources, including any country whose quota has been so reduced, and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection: *Provided, however,* That any part of such quantity equivalent to the proration of domestic deficits to the country whose quota has been reduced may be allocated to domestic areas and the remainder of such quantity (plus any part of such allocation that domestic areas are unable to fill) shall be apportioned in raw sugar as follows:

"(i) There shall first be allocated to other foreign countries for which quotas or prorations thereof of not less than three thousand or more than ten thousand short tons, raw value, are provided in section 202(c), such quantities of raw sugar as are required to permit importation in such calendar year of a total of ten thousand short tons, raw value, from such country;

"(ii) There shall next be apportioned to the Republic of the Philippines 15 per centum of the remainder of such importation;

"(iii) The balance, including any unfilled balances from allocations already provided, shall be allocated to or purchased from foreign countries having quotas under section 202(c), other than those provided for in the preceding subparagraph (i), in amounts prorated according to the quotas established under section 202(c): *Provided,* That if additional amounts of sugar are required the President may authorize the purchase of such amounts from any foreign countries, without regard to allocation;

"(3) If the President finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be imported such quantity of sugar in the form of direct-consumption sugar as may be required."

SEC. 6. Sections 101(j), 203, 205(a), 209(a), 209(c), and 307 of the Sugar Act of 1948, as amended, are each amended by striking out the words "The Territory of" in each place where they appear therein.

#### MEXICAN FARM LABOR PROGRAM

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 12759) to

amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 12759, with Mr. EVINS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from North Carolina [Mr. COOLEY] had 14 minutes remaining; the gentleman from Iowa [Mr. HOEVEN] had 9 minutes remaining.

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. McFALL].

Mr. McFALL. Mr. Chairman, I am in support of an extension of Public Law 78, the Mexican national program, and the Fogarty amendment which should further improve the administration of the program to prevent its use to depress wages or working conditions or to replace domestic farmworkers.

The Public Law 78 program is essential to California as a supplement to the domestic farm labor force in the peak seasons when crops ripen at the same time in many areas and there simply are not enough domestic workers to do the job. This is the situation in San Joaquin and Stanislaus Counties in California, the district which I represent.

It is important that we take affirmative action now, since the Public Law 78 program, which technically runs until June 30, 1961, would be virtually dead for next year if not extended now, for two reasons: First, the farmers must know at the time of planting whether or not there is a reasonable assurance of the labor required to harvest the crops; second, the Department of Labor must know now if the program is to be continued in order to make the necessary budgetary requests for funds to enforce the program.

Originally, the House Agriculture Committee considered legislation that would do three things:

First. Extend the Public Law 78 program for 2 years, to June 30, 1963.

Second. Divide jurisdiction between the Secretary of Agriculture and the Secretary of Labor.

Third. Deny the Secretary of Labor authority to prescribe regulations to protect the domestic worker.

The committee first acted on a measure that would include points 1 and 3, eliminating point 2—the joint jurisdiction that would seriously cripple and perhaps even make impossible regulation of the program.

Later the committee reported a new bill, calling for a simple 2-year extension of the program, and eliminating the original section that would hamstring the Secretary of Labor.

This is the bill we are considering today which I support with the amendments recommended unanimously by a special consultant committee to insure that the program will not be operated to the detriment of the domestic worker.

It is my information that these recommendations are substantially in accord with the thinking of those who administer the program in the Department of Labor, but no clearance has yet been received from the administration and no formal recommendation will be made to Congress until next year.

However, if we are to extend the program at this time, these safeguards should also be incorporated now to insure that the Mexican nationals are used only as unskilled labor, on a seasonal basis and not in competition in any way with our American worker.

Secretary of Labor Mitchell wrote on June 24, 1960:

There is ample evidence before the Department including the conclusions and recommendations of independent consultants who have studied the problem that the Mexican program legislation needs substantial improvement in order to avoid adverse effects upon our own farmworkers. My view remains that the existing law should not be extended until such time as improvements can be incorporated in it.

The citizens who studied the program and recommended the amendments to Secretary of Labor Mitchell are Edward J. Thye, former U.S. Senator from Minnesota; the Very Reverend Monsignor George C. Higgins, director of the social action department, National Catholic Welfare Conference; Glenn E. Garrett, chairman of the Texas Council on Migrant Labor; and Rufus B. von Klein-smid, chancellor of the University of Southern California.

Their recommendations, which are to be offered today as an amendment by Congressman FOGARTY, would have the following effect, in brief:

No worker shall be supplied under the program unless the Secretary of Labor certifies:

A. Sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which foreign workers are to be employed.

B. The employment of such foreign workers will not adversely affect the wages and working conditions of domestic agriculture workers similarly employed.

C. Reasonable efforts have been made to attract domestic workers for such employment, including independent and direct recruitment by the employer requesting foreign workers, at terms and conditions of employment comparable to those offered to foreign workers.

D. No foreign labor is to be imported except for seasonal and unskilled jobs.

Although there may be disagreement over method and specific language in the law, I feel certain that our growers in California have no quarrel with the objectives of these amendments, that is, to protect the domestic worker.

I have been told time and time again that the Public Law 78 program is desired only as a supplemental labor force, and that, in fact, the farmers much prefer to hire domestic workers if they are qualified and available in sufficient number when and where they are needed. I know this to be true.

My growers know also that their labor must be paid a fair wage equal to that of

workers in other segments of our economy; certainly the consumer has the ability to pay a price sufficient to yield a fair profit to the farmer and a fair wage to the agriculture worker. In my opinion, the Fogarty amendments will strengthen Public Law 78 by spelling out in greater detail the provisions and intent of the present law, thus providing the opportunity to build a larger domestic work force and to retain the necessary supplemental labor supply under fair and equitable conditions.

Should the Fogarty amendment be defeated, I would support the bill to extend the program as essential to a supplemental agricultural labor supply.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, I am in favor of this bill, and I hope it passes.

With a 17-percent increase in population in the United States during the past decade, producers of the Nation's fresh fruit and vegetable supply have barely been able to maintain a comparable rate of increase in their production of these commodities. In other words, on a countrywide basis, the rate of population increase is outrunning the growth in production of the most healthful sector of our food supply, and this trend promises to continue.

However, in California and Arizona, the situation is different; during the past 10 years, production of vegetables and melons has not only been increased 26 percent, but the proportion of the national fresh food supply contributed by these two States was increased 25 percent. In 1959, California and Arizona produced 37.5 percent of the U.S. vegetable and melon tonnage, representing 41.5 percent of the value of crops in this category. This record was accomplished during a period of severe decline in the domestic labor supply, and only with the assistance of supplemental farm labor, which was made possible by the enactment of Public Law No. 78.

A recent economic survey of the California vegetable industry indicates that on the basis of present rate of production increase, an additional 200,000 acres of vegetables and melons will be harvested in 1975, making a total harvest labor demand for close to 1 million acres. This acreage will be needed if the present trend in dependency on California and Arizona for such a sizable portion of the Nation's fresh foods continues. Thus the continued availability of supplemental farm labor in this area as well as in other parts of the Nation producing fresh fruits and vegetables, is imperative if the food needs of our growing population are to be met.

The domestic farm labor supply in these two States has been drained away by the rapid industrial growth of the area during the past two decades. Because of the nature of the work in the fields, few persons employable in industry can or will turn to so-called stoop labor, even on a temporary basis. Furthermore, impartial studies will prove that the second generation members of Arizona's and California's onetime do-

mestic labor supply, have been educated away from this type of work. The question as to the competition of supplementary labor with domestic labor is largely academic, as so far, no domestic labor supply, adequate in numbers or willingness to do hand labor in the fields, has been made available to fruit and vegetable growers.

Mechanization does not offer the vegetable and melon grower the same labor saving possibilities now being enjoyed by some other sectors of the California and Arizona agricultural industry. This is a point that need not be stressed, for everyone realizes that the very nature of these commodities make it virtually impossible to mechanize their harvest. The electronics industry has performed wonders, but so far no one has come up with a machine that can determine just the proper maturity of vegetables and melons or fruit, then proceed to pick them. Even the smaller grower, limited in the amount of labor-saving equipment that he can buy, must have additional hand labor during harvest peaks, for vegetables, melons, and fruits are highly perishable and harvesting cannot be delayed. Thus, the arguments as to family farm versus corporate farm have no place in the consideration of present legislation.

Seldom has the Congress been faced with the consideration of such contradictory and misleading statements and statistics as those which appear in the hundreds of pages of testimony on farm labor conditions placed before this law-making body in recent years. For this reason, decisions based on social and economic equity have been made difficult for fair-minded legislators, particularly those who realize that the integrity of the American food supply is in the balance, and that ultimately the consumer will suffer if the Congress enacts farm labor legislation which violates the principles of sound economics. Objective research to determine the greatest good to the greatest number is the only rational solution to the problem.

It is for this reason that the Western Growers Association, representing vegetable growers, large and small, who furnish 40 percent of the American supply of these commodities, has urged the Congress to extend Public Law 78, and bring to an end bureaucratic tinkering with the supplemental labor supply.

Background statistics as to the type of crops, acreage, production, and value for Arizona and California are shown below:

#### CALIFORNIA-ARIZONA ROW CROPS TOP NATION AGAIN IN 1959

(By Gerald R. Strauss, editor, Western Grower and Shipper)

California-Arizona growers led the Nation once again last year in acreage, production, and value of vegetable and melon crops, according to figures released by the Crop Reporting Board of the USDA Agricultural Marketing Service.

Vegetables and melons grown in the two Western States during 1959 were produced on 740,730 acres (21.3 percent of the Nation's total acreage of these crops), totaled 128,621,000 hundredweight (37.3 percent of the total U.S. production) and were valued at \$437,043,000 (41.5 percent of the total U.S. value).

As in years past, California dominated the rest of the States, ranking first in acreage (22.1 percent of U.S. total), first in production (33.5 percent) and first in value (40.1 percent) of vegetables and melons produced for the fresh market.

The Golden State also ranked first in production (32.7 percent) and value (26.4 percent) of vegetables and melons produced for processing. It ranked second (14.2 percent) behind Wisconsin (15.3 percent) in acreage planted for processing of these commodities.

Arizona, too, was prominent among the Nation's agricultural States, ranking fourth in acreage (4.9 percent), fourth in production (6.8 percent) and third in value (6.4 percent) of vegetables and melons produced for the fresh market.

California and Arizona potato growers were also among the Nation's leaders in 1959, producing 12.1 percent of the Nation's production on 7.6 percent of the U.S. acreage and accounting for 16.8 percent of the Nation's value for this crop.

The bulk of the California potato crop (14,625,000), it should be pointed out, was produced in the late spring and accounted for more than half the Nation's late spring potato acreage.

#### 1959 California-Arizona vegetable and melon crop summary

[Figures issued by Crop Reporting Board, USDA Agricultural Marketing Service]

	Acres	Production (hundred-weight)	Value
Artichokes.....	9,400	376,000	\$3,419,000
Asparagus.....	77,800	1,867,000	21,005,000
Beans, green lima.....	22,100	754,000	5,426,000
Beans, snap.....	8,200	1,059,000	9,711,000
Broccoli.....	26,800	1,654,000	13,004,000
Brussels sprouts.....	4,800	528,000	4,690,000
Cabbage.....	11,500	2,690,000	6,372,000
Cantaloups.....	69,100	9,219,000	42,553,000
Carrots.....	25,200	6,769,000	27,916,000
Cauliflower.....	14,400	2,351,000	7,375,000
Celery.....	18,050	8,663,000	29,083,000
Corn, sweet.....	20,200	1,527,000	6,970,000
Cucumbers.....	6,200	1,242,000	4,965,000
Garlic.....	3,200	272,000	2,576,000
Honeydews.....	6,460	1,131,000	6,108,000
Lettuce.....	179,800	29,964,000	108,402,000
Onions.....	15,800	5,846,000	12,488,000
Peas, green.....	12,800	444,000	3,069,000
Peppers, green.....	4,600	598,000	6,662,000
Spinach.....	10,900	1,530,000	2,923,000
Tomatoes.....	164,100	47,598,000	100,783,000
Watermelons.....	26,700	4,325,000	11,239,000
Not broken down <sup>1</sup> .....	1,620	214,000	304,000
California and Arizona total.....	740,730	128,621,000	\$437,043,000
U.S. total.....	3,481,700	345,093,000	1,051,878,000
Percent of U.S. total.....	21.3	37.3	41.5

<sup>1</sup> California beets for canning, California sweet corn for processing, Arizona cucumbers for pickles, California fall spinach for processing, Arizona tomatoes for processing.

#### 1959 California-Arizona potato crop summary

[Figures issued by Crop Reporting Board, USDA Agricultural Marketing Service]

	Acres	Production (hundred-weight)	Value
California and Arizona total.....	105,200	29,478,000	\$83,374,000
U.S. total.....	1,392,200	242,998,000	495,734,000
Percent of U.S. total.....	7.6	12.1	16.8

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Chairman, I rise in support of this legislation. Although a New York Congressman, I also happen

to be a farmer from southern California. I want to assure Members of the House that on my farm we pay \$1.50 per hour for farm labor, and still cannot get it.

My farm is in the district represented by Mr. SAUND, it is in the Imperial Valley area. The farm labor that comes in from Mexico takes care of this vast farm industry, which could not possibly survive without it.

This is a good bill. It is in the economic interest of the Nation, and especially the farmers in this highly productive area.

Mr. HOEVEN. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, I am sure that those older Members of the House who were here when this bill was passed 6 years ago will understand when I say I never come on the floor in connection with Public Law 78 without some apprehensive glances up in the galleries.

Now, we have H.R. 12759 before us providing for a straight 2-year extension of Public Law 78. I think there are many reasons why this bill should be passed without amendment or without change. In the first place, in a highly industrial State like my State of Michigan, where we have a substantial amount of unemployment in our large industrial centers from time to time, and where we still use some 8,000 or more of these Mexican contract laborers a year, our farmers have found it absolutely impossible to get reliable, skilled, trained domestic labor to perform many of these so-called stoop labor tasks involving the thinning of sugar beets, the picking of pickles, and the harvesting of cherries, apples, and so forth, from our various orchards and so forth. Of course, the committee is well aware that the Department of Labor will not certify any grower for Mexican contract labor unless all attempts to find domestic labor have been exhausted. Many times, however, our growers have been certified to use domestic labor with the result that the labor is unskilled and the particular crop is damaged, resulting in practically a total loss, or the workers will come out one day and the boys will get an hour or two of work in the sun and the next day they will not show up, or if they are temporarily laid off from the automobile plants, many times right in the middle of the crop season, and the work picks up, the boys are called back to the factories, and there goes that crop for the year. Our farmers, just like the farmers in other parts of the country that use this Mexican contract labor, have to rely on a steady, guaranteed, skilled source of supply, and there is absolutely no way they can get it except under a continuation of this program.

Mr. Chairman, I have had some experience with this program in Mexico. I was down there in 1943 with the U.S. Government when it started out. And, I know what the feeling is among the Mexican people to a great extent. If you tamper with this program or if you terminate it or do anything to cut off the ability to recruit Mexican contract labor in Mexico, you are going to have

the entire Mexican-United States border crawling with illegal entrants, the so-called wetbacks. I think it is much more advisable to have these people come in as they do now under contract, with supervision by the Immigration people, so that when their employment is terminated they will go back to Mexico and not come up as illegal immigrants with the problems that are incident thereto.

Mr. HOEVEN. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. I will ask the gentleman, does he have any unemployed people in the State of Michigan?

Mr. HOFFMAN of Michigan. Surely; we have them on unemployment relief and they will not take a job when it is offered.

Mr. BAILEY. Because under this they could not get a job for more than about 50 cents an hour.

Mr. HOFFMAN of Michigan. No; because they do not get what they want. Some families make as much as \$50 a day picking cherries. These folks who are on unemployment relief, many of them work in the resort industry and then when Labor Day comes and many will not go over to the canning factory on a job until they have exhausted their unemployment compensation. I know; they write me and so do those who need employees.

Mr. BAILEY. If you paid them a reasonable wage in the canning plant, they would take jobs there.

Mr. HOFFMAN of Michigan. No they will not. Not until they have used unemployment and they go hunting and fishing on vacation. The canning workers do not get as much money as the gentleman's coal miners in West Virginia, who own a bank down here in Washington, stock in others and have cash deposits and a welfare fund. John Lewis fixed that by making everyone who used coal pay more. You are supposed to be in a wonderful situation there; you have a wealthy group of United Mine Workers and then you have a lot of people who are on relief. How can the gentleman justify having the two classes. That is what John Lewis did down there. He contributed three-quarters of a million dollars to Roosevelt's campaign—do you remember that? Where did he get that money? He got it out of the miners.

Sure, we have Mexicans in Michigan, a lot of them. We must have them or we could not get the crops harvested, because growers cannot afford to pay what some of these people demand. Our Americans will not work at that stoop labor.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. COOLEY. Do I understand the gentleman from Michigan is in favor of the enactment of this bill? Is the gentleman in favor of the bill we have under consideration?

Mr. HOFFMAN of Michigan. Surely.

Mr. COOLEY. That is what I thought.

Mr. HOFFMAN of Michigan. Can't the gentleman tell from what I am saying?

We all know that is the situation. Our American workers will not do this work; there is no argument about it. The work is what Fred Crawford used to call stoop labor. Our workers just won't do it. Go ahead and raise their wages, and as the two gentlemen from California said yesterday, you will pay more or go without the farm products.

I know what they will do. They will raise the price of oranges so that many will not be able to get an orange peel, to say nothing of the pulp inside it. That is what will happen when you boost the wage. Are not prices high enough to suit you now? All you will ever get out of these increases is the opportunity to handle more dollars which buy less, I will say to my friend from West Virginia.

Mr. COOLEY. Mr. Chairman, I yield such time as he may require to the gentleman from New Mexico [Mr. MONTROYA].

Mr. MONTROYA. Mr. Chairman, I appreciate having a few moments with respect to one of the aspects of the farm labor program. I am speaking of the impact which the importation of Mexican nationals—braceros—has had on the employment of domestic workers. There has been considerable testimony which would lead one to believe that domestic workers have been denied employment because of the employment of Mexican nationals. Many of us contend that this is not a true picture and that, in fact, the inability of the farmer to obtain domestic labor has forced him to rely on the Mexican contract worker.

The need for Mexican nationals is simple. They are needed to perform those agricultural activities when there is not a sufficient number of domestic labor available. In many areas of our country there has been a year-round shortage of agricultural workers and the use of foreign labor to relieve this shortage is as old as the agricultural industry. During World War II some prisoners of war were used to supplement domestic labor but the enactment of Public Law 78 made it possible to legally import Mexican nationals to supplement the local labor force.

The latest survey by the Agricultural Experiment Station, New Mexico State University, indicates the present outlook for New Mexico farm labor as being an increase in demand but a limited supply of available domestic workers. Proximity to labor surplus areas in Mexico, and a national farm labor deficiency of some 400,000 to 500,000 seasonal workers annually, leads us to believe that shortages of agricultural labor in New Mexico will have to be met from the Mexican nationals source.

The survey further shows that the composition of the New Mexico labor force has been changing significantly in the past 15 years. The total number of workers in agriculture, including regular and seasonal hired wage workers and farm operators, declined 21.7 percent from 1947 to 1958 in New Mexico,

while the number of construction workers employed increased by 98.3 percent.

In 1947 there were about 50,600 workers in agriculture, amounting to 25 percent of the total labor force in the State. The number of workers in agriculture decreased to 39,600 in 1958 and made up only 12.1 percent of the labor force. Where have these 11,000 former agricultural workers gone? Construction work, one apparent field, increased by 11,800 workers during this period. Probably not all of the 11,000 agricultural workers joined the construction trade, but large numbers have made this shift.

In the past few years considerable local unemployment has developed in the mining communities of the State. Efforts to recruit unemployment miners for agricultural work have been disappointing. One labor user association in southwestern New Mexico made a vigorous effort, through the employment service office and through newspaper, radio, and TV announcements, to encourage unemployed miners to come to the employment office for interviews. On the appointed day, four workers appeared for an interview. One worker promised to accept employment but actually no workers presented themselves at the contracting association for employment.

A second association was able to recruit 11 unemployed miners from Grant County, N. Mex., and Morenci, Ariz. Eight of these workers are presently employed, three having left a few days after placement.

I want to emphasize that no farmer would incur the expense of having to import Mexican labor if he could go to town and have the labor hauled to the farm on a day-to-day basis. In addition to costs, the administration and supervision of the workers necessary to comply with the standard work contract is time consuming and presents additional problems. There is every reason to believe that a farmer is willing to utilize local labor to the utmost but the fact remains that the availability of this labor is limited and in many instances unreliable. Thus, in the main, the farmer is forced to depend on the bracero labor.

For many years local workers have migrated from agricultural employment to jobs in cities and towns across the United States; 1 farmworker now produces enough food and fiber for approximately 25 other persons whereas in 1940 1 farmworker produced only enough for himself and 11 other persons. Agricultural productivity per worker has increased faster than population since 1950; consequently, fewer workers are required in agriculture. Manpower released from agriculture has made possible increased production of other goods and services.

Expanding opportunities for employment in nonagricultural work in New Mexico have accompanied the economic growth of the United States in recent years. The expansion of these nonagricultural industries has taken many workers from agricultural jobs and forced farmers to seek labor outside the State and/or to mechanize their farming operations.

New Mexico has experienced tremendous growth in the building of homes, businesses, highways, and military installations. As I have said, a large number of former agricultural workers have taken jobs in the construction trades, and also in servicing businesses.

There is a strong reluctance on the part of workers, although unemployed, to return to agricultural jobs upon termination of their nonagricultural jobs, because agricultural work is no longer appealing to them, for both economic and sociological reasons. A serious problem exists for these workers and the community. When a slump hits the nonagricultural sector and men are laid off, they are presumably available for farmwork. However, most will not accept jobs on farms after having received higher wages in nonagricultural jobs. Often when such men return to agricultural jobs, they do not perform satisfactory work.

The changing attitudes toward work on farms and opportunities for nonagricultural employment along with the differences in wage levels between agriculture and other industries have had serious effects on the local labor force available for agricultural employment. Farmers have not been in a position to offer wages comparable to those paid in the nonagricultural industries because they have no way of passing the increased cost of labor on to the consumer, as can be done in other industries. Herein lies the heart of the problem of rising production costs to the farmer. Farmers operate on a very competitive type of selling market and buy in a non-competitive type market. To obtain a dependable source of workers, farmers have utilized the Mexican national under the provisions of Public Law 78.

Now you may ask, What about the use of migrant workers? The truth of the matter is that farmers' experiences with migrant workers indicate that they are not always reliable farmhands. Employment of such workers has also proven to be expensive for farmers since the time required to train the worker probably may, and often does, exceed the length of time the worker stays on the job. These migrant workers do not like to stay in one place very long and in fact many times they will leave before all work is done for no apparent reason other than that they just want to move to a new area.

New Mexico representatives of 7 employer associations in 1958 recruited on 156 orders for 382 workers in Oklahoma and representatives of 5 associations recruited on 137 orders for 223 in Missouri. Out of the hundreds of workers interviewed, 160 indicated they would accept the jobs offered; but only 58 actually reported to the employer and started work. After several months, only 15 of the workers remained on the job they had come to New Mexico to accept. A year later, only two were still on the job.

There is no question but that the recruitment efforts demonstrated by New Mexico employers of Mexican nationals indicates willingness to hire domestic workers. However, their efforts have been costly and unsuccessful. Foreign

workers have increased in importance as a source of seasonal agricultural labor since 1954, although they have declined by 26 percent in numbers employed on farms and ranches in New Mexico.

I believe it is incumbent upon the Congress of the United States to extend the Mexican farm labor program in order to fill the need for farmworkers in many areas of the country; areas that cannot otherwise come anywhere near to meeting the pressing problem. All of us appreciate the many-sided controversy but we must be objective; we must do the best we can.

Mr. COOLEY. Mr. Chairman, I yield the remaining time on this side to the chairman of the subcommittee, the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, the Subcommittee on Supplies, Machinery, and Manpower held extended hearings on this legislation. We reported out a bill that bore my name, that was really a committee bill. That legislation had two parts. One incorporated the identical language carried in the Sisk bill which would extend Public Law 78 for a period of 2 years. The other provision was one that had to do with the Wagner-Peyser Act, which was passed by this Congress in 1933, and the regulations that had been promulgated under the provisions of that act by the Secretary of Labor.

It was felt in the dying hours of this Congress that we did not have sufficient time to go into the second version of that legislation, so we deferred action on that until the next session when we would have an opportunity to consider that phase of it.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Texas.

Mr. POAGE. Am I not correct in saying that the subcommittee and later the committee felt that it would be unnecessary and unwise to bring in the additional provisions inasmuch as it was clearly the existing law and that the committee felt that the Secretary had no power to exercise the powers that he claimed to have a right to exercise; and since he had no power, we would be but doing a vain thing to try to say to him that he could not have this power that he did not have.

Mr. GATHINGS. We recognize that he does not have that power to issue these regulations under the Wagner-Peyser Act since the legislative branch gave no such authority to him.

Mr. POAGE. That is right. We all recognize he does not have those powers today. I want it understood that right now we are advising the House that this is a part of the legislative history.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Are we to understand that you are going to put the Secretary of Labor, Mr. Mitchell, on record as being for this legislation?

Mr. GATHINGS. I am not speaking for the Secretary of Labor.

Mr. BAILEY. I am saying that he is not for this legislation.

Mr. GATHINGS. He may not be and he may be, but he has been supporting it previously.

Mr. BAILEY. You are taking away from him authority that he already has.

Mr. GATHINGS. I will not yield any further to the gentleman. He has assumed authority that does not exist. Congress is the legislative branch and it has exempted the farmer from the provisions of the Fair Labor Standards Act and the Landrum-Griffin Act.

Mr. MCINTIRE. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Maine.

Mr. MCINTIRE. Am I correct in my understanding that the subcommittee that considered this legislation had under consideration the matter of the jurisdiction of the Wagner-Peyser Act, and that after very careful consideration it is the opinion of the subcommittee and the full committee that the Wagner-Peyser Act does not grant to the Secretary of Labor the authority to deny the use of Employment Security offices to farmers unless they comply with such conditions as the Secretary of Labor may wish to impose?

Mr. GATHINGS. It does not and did not grant him such authority. That is the opinion of the subcommittee and the full Committee on Agriculture. There were only three dissenters on the committee which is composed of 33 members.

Mr. MCINTIRE. The fact that the conditions of the Wagner-Peyser Act are not a part of the legislation now before the Committee does not change the position of the subcommittee in relation to our understanding of the provisions of that act?

Mr. GATHINGS. Not at all. As a matter of fact, it is necessary that we act and act soon on this simple extension of Public Law 78. It is highly essential that we do so. The Department itself must take up the budget requirements this fall and be ready to ask for the money necessary to run this program next year. The farmer has to make his financial arrangements for the operation of his farm in 1961.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Kansas.

Mr. BREEDING. Mr. Chairman, I rise in support of the legislation and agree wholeheartedly with the remarks of the gentleman from Arkansas.

Mr. Chairman, I want to make a few additional remarks in support of the Mexican farm labor program now under discussion. This bill would extend for 2 years the Act under which workers are brought into the United States from Mexico under the supervision of the Department of Labor, to assist in seasonal farm operations in this country. This program has been of tremendous value in providing seasonal help to farmers. This supply of experienced farmworkers is very definitely required to plant and harvest our crops. At the present time, such commodities as sugar beets, melons, onions, and other vege-

tables can only be grown and harvested with the assistance rendered under Public Law 78. Many crops depend upon labor provided under this program. I feel that its extension is imperative if we are to continue to produce these commodities. I urge that this measure be approved by this great body.

Mr. GATHINGS. What are the reasons for the extension of Public Law 78? In the first place, it is necessary to get supplemental labor to harvest food and fiber crops, when domestic workers are not available. The act has almost entirely eliminated the wetback menace in this country. Let us look at the figures given by the Immigration Service to us. For instance, in 1954, 1,475,168 swam the river and came into this country and worked on the farms of America to earn a livelihood. After we had this legislation on the statute books, the figures show in 1959 that that 1,475,168 had been reduced to only 35,196 who entered this country illegally.

That is the value of this legislation. It also benefits the Mexican worker. Those Mexicans who have been driving an ox cart at 75 cents a day will make \$7 or \$8 a day under a contract to do farmwork in this country. That money goes back into the channels of trade and it helps Mexico in trading with America. It helps our factories. Those dollars come back to this country in export trade and it keeps our factory wheels turning and our labor employed.

Mr. TEAGUE of California. Since the adoption of this Mexican contract farm labor program, we have fewer Mexican farm laborers in this country for the reason that the illegal wetback entries have been reduced from 1 million to about 30,000?

Mr. GATHINGS. Yes. We only have now coming in under the contract something less than 500,000. They only come in when it is certified by the Secretary of Labor that you cannot get this labor from any other source.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Does the record show there are only 30,000 wetback Mexicans in this country, when the figures show that we have millions?

Mr. GATHINGS. That was the number apprehended, according to the record.

Mr. BAILEY. That is better.

Mr. GATHINGS. This program is a producer of dollars to the Mexican economy. It builds good will across the border.

I want to say that the consultant's report has been brought into this debate by the gentleman from Rhode Island. He has introduced what is known as the McGovern bill, or a good part of that bill is incorporated in the amendment of the gentleman from Rhode Island. The consultant's report was before our committee and we studied it carefully. There is an advisory committee already set up in the Department of Labor consisting of 48 men. It was created to advise the Secretary of Labor with respect to the

various problems that might arise from time to time. They have a subcommittee known as the Mexican Labor Subcommittee, composed of 13 individuals. Mr. Langenegger of Mexico came before our committee. He advised the subcommittee that the Department of Labor did not take the advice of that 13-man subcommittee on labor at all. Now they come up with a consultant's group. Why should this Congress be asked to take the advice of the consultant's group in this instance? They said what we need to do is to cut down this program 20 percent each year, and in 5 years fold it up. If that is done, we would not have an ample supply of food and we would not have something to wear on our backs. It would be calamitous to be reducing the number constantly because you have a different situation in various areas with respect to weather conditions. In the Southwest we had considerable rain this spring.

As a result our fields were filled with grass and weeds. It was necessary to get a supplemental supply of labor. Instead of the 6,000 we had a year ago for spring chopping at this time it was necessary to bring in more than 11,000 and even to supplement that number so that now we have better than 12,000 that have come in to do that necessary work in our fields. So weather conditions do play an important part.

The report states that this is a low-wage industry and they cited cotton wages as an example. Farmworkers are entitled to good wages; all of our workers are entitled to good wages; they are getting good wages. We are all in favor of giving the workingman what is just and proper, that to which he is entitled. Let us look now to the report. This report did not mention the increased cost of producing a crop. This report did not mention the decline in the price the farmer receives for a particular commodity.

The gentleman from Mississippi [Mr. SMITH] put information in the RECORD obtained from the Extension Service of the State of Mississippi showing that there was a decline in the price of cotton of 6 cents a pound, or \$30 a bale from 1951 to 1957. That report further states that between the period 1940 to 1955 the cost rises were as follows: Wages had advanced 200 percent; machinery prices were up 115 percent; land price was up 150 percent; and taxes were up 115 percent.

This report indicates that what we need today is to have more controls and more people to go out and enforce this particular law. A police force from Washington.

I hope and trust we will extend this very meritorious law and vote down the amendment to be offered by the gentleman from Rhode Island.

The CHAIRMAN. The time of the gentleman from Arkansas has expired, all time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sec-*

tion 509 of such Act, as amended, is amended by striking "June 30, 1961" and inserting "June 30, 1963".

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: Page 1, line 4, add the following: "Section 501 of the Agricultural Act of 1949, as amended, is amended by deleting the first paragraph and substituting therefor the following:

"Sec. 501. The Secretary of Labor is authorized to determine whether and to what extent it is necessary to augment the agricultural labor force in the United States by supplying workers from the Republic of Mexico. Such workers shall be supplied pursuant to arrangements between the United States and the Republic of Mexico only if the Secretary certifies that (A) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which foreign workers are to be employed, (B) the employment of such foreign workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed, and (C) reasonable efforts have been made to attract domestic workers for such employment, including independent and direct recruitment by the employer requesting foreign workers, at terms and conditions of employment comparable to those offered to foreign workers. No workers shall be supplied pursuant to the provisions of this title except for seasonal employment or employment requiring no specialized skills.

"In carrying out the provisions of this title, the Secretary is authorized—"

"(b) Section 501 of such Act is further amended by renumbering paragraphs (2), (3), (4), (5), and (6) as paragraphs (4), (5), (6), (7), and (8), respectively, and inserting after paragraph (1) the following new paragraphs:

"(2) to fix the ratio of agricultural workers from the Republic of Mexico to domestic agricultural workers which may be employed by any employer, when necessary to assure active competition for the available supply of United States agricultural workers;

"(3) to establish specific criteria for judging whether the employment of Mexican agricultural workers in the United States is adversely affecting or will adversely affect the wages, working conditions, or employment opportunities of domestic workers similarly employed. Such criteria shall include but shall not be limited to (a) failure of wages and earnings in activities and areas using Mexicans to advance with wage increases generally; (b) the relationship between Mexican employment trends and wage trends in areas using Mexican workers; (c) differences in wage and earning levels of workers on farm using Mexican labor compared with nonusers;."

"(c) Section 501 of such Act is further amended by substituting the words 'paragraph (5)' for the words 'paragraph (3)' where they appear in paragraph (6), as so redesignated by subsection (b) of this section.

"Sec. 2. Section 502(3) of such Act is amended by substituting the words 'section 501(6)' for the words 'section 501(5)' therein.

"Sec. 3. Section 503 of such Act is amended to read as follows:

"Sec. 503. No workers recruited under this title shall be made available to any employer unless the United States agricultural workers employed by such employer are paid at wage rates not less favorable than those required to be offered to Mexican workers."

"Sec. 4. Section 506 of such Act is amended by deleting the word 'and' at the end of

paragraph (2), striking the period at the end of paragraph (3), and inserting in lieu thereof the following: "; and", and by adding at the end thereof the following new paragraph:

"(4) issue such rules and regulations as may be necessary to carry out the provisions of this title."

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield for a question?

Mr. FOGARTY. I yield to the gentleman from Illinois.

Mrs. CHURCH. May I ask the gentleman, Does the amendment which he has offered contain in the main the substance of the McGovern bill?

Mr. FOGARTY. The amendment constitutes all of the McGovern bill with the exception of the phasing-out section, the last section of the McGovern bill.

Mrs. CHURCH. May I ask the gentleman whether the Secretary of Labor favors this amendment?

Mr. FOGARTY. The Secretary of Labor does favor the amendment. The council favors the amendment. Practically every church group in the country favors the amendment, and practically every other group that has some interest in the domestic farmworker favors the amendment. I have received a number of communications supporting the amendment from church groups, civic organizations, and respected individuals. Typical of these are the following letters from the Friends Committee on National Legislation, the National Consumers' League, and a druggist from Arizona; an editorial dated June 20, 1960, from the Houston Chronicle; a newsletter from the Religious News-weekly; and a telegram from produce growers in California and Arizona:

FRIENDS COMMITTEE  
ON NATIONAL LEGISLATION,  
Washington, D.C., June 27, 1960.

DEAR CONGRESSMAN: Based on intimate contact with farm labor in California by field workers of the American Friends Service Committee over a period of several years, we believe that H.R. 12759 reported to the House recently should be amended.

This bill would extend the Mexican farm labor importation program for 2 years without any control of wage rates or working conditions. It completely disregards the recommendation of a distinguished group of impartial consultants in a report to the Secretary of Labor last year.

We believe that mass importation of Mexican farm labor without adequate regulation of wage rates and working conditions has far-reaching adverse effects on American farmworkers and family farms—segments of our economy already in serious distress.

Recognizing that basic changes in the present situation cannot be effected immediately and that some importation of workers to harvest perishable crops will continue to be needed, we urge adding sections 1, 2, 3, and 4 of the McGovern bill, H.R. 11211, to H.R. 12759. The McGovern bill would provide protection for both domestic and imported farmworkers by giving the Secretary of Labor authority to determine the need and set standards for the employment of

Mexican workers as recommended by the consultants last year.

Sincerely yours,

E. RAYMOND WILSON.

NATIONAL CONSUMERS LEAGUE,  
Washington, D.C., June 28, 1960.

HON. JOHN E. FOGARTY,  
House of Representatives,  
Washington, D.C.

DEAR MR. FOGARTY: In our letter of June 7 we wrote you concerning the Mexican farm labor importation program urging your opposition to the Gathings bill and support for the McGovern bill. Since then, the House Agriculture Committee has obtained a new rule replacing the Gathings bill by H.R. 12759, introduced by Mr. SISK. The Sisk bill will come before the House of Representatives this week. We urge you to oppose it.

The Sisk bill differs from the Gathings bill in only one respect—it omits a section which would have forced the U.S. Employment Service to recruit domestic farmworkers to undercut area prevailing wages and working conditions. As undesirable as that section of the Gathings bill was, the dangers inherent in the Mexican farm labor program are not relieved by its omission. By extending the Mexican importation program as is for 2 years, the Sisk bill would continue all of the abuses of the current program and thereby continue the basic cause of the deplorable wages and high unemployment of American farmworkers.

We therefore urge you to oppose the Sisk bill, H.R. 12759, unless it is amended to include protections which would prevent the use of Mexican farmworkers to the detriment and impoverishment of American farmworkers. These amendments will probably be offered by Mr. JOHN FOGARTY.

Sincerely yours,

VERA WALTMAN MAYER,  
General Secretary.

VALLEY DRUG,  
Somerton, Ariz., June 27, 1960.

HON. J. E. FOGARTY,  
U.S. House of Representatives,  
Washington, D.C.

DEAR MR. FOGARTY: As a merchant in a town that has been wrecked by the bracero plan, I beg you to restrict it in every way possible. There is no justification for any employer to use braceros on a year-round basis. If no employer were allowed to use braceros in more than 8 months during the year, then the employer would have to try to find citizens for the full-time jobs. There is no attempt to find such employees now.

This is one of the areas where braceros make up more than 80 percent of the farm labor force. Since the farmwork was turned to them in 1953, at least 10 Main Street merchants in Somerton have had to close their businesses. Odd as it may seem, one of the few attempts to improve conditions is a major factor in the decline of this town. The Department of Labor set up minimum housing requirements for braceros, but General Swing, of the Department of Immigration and Naturalization, offered the farmers an out. He decided that the braceros could live in Mexico and commute to jobs here. Naturally, the farmers approved of this, because they were able to thus avoid all housing regulations. The braceros are happy with the setup because they do well according to the standard of living in Mexico. For domestic workers to come into this area, they must accept a wage that supports the Mexican standard of living. Only by lowering our standards to theirs can we compete. That is why over 80 percent of the jobs are held by braceros. The law as written never intended for braceros to live in Mexico and commute. Please try to put an end to this.

If year-round employment is stopped, commuting daily from Mexico is stopped, and your 20-percent-per-year reduction in the number of braceros to be imported is adopted, then there will finally be an end to the situation in sight.

Yours very truly,

JACK PATE.

NOTE.—It might interest you to know that enforcement has been so lax that in many cases one bracero has held the same job for the same employer for 5 years or more. Each 18 months a new contract would be issued in his name. The law never intended this.

[From the Houston Chronicle, June 20, 1960]  
HIGHER PAY, NOT MASS BRACERO PROGRAM, IS PROPER SOLUTION

Congress is looking into the problem of the migrant farmworker—one of those problems we always have with us and of which we cannot be proud.

A House resolution would continue for 2 years, without change, Public Law 78 which provides for the mass importation of Mexican farmworkers, or braceros. It also would deny the Secretary of Agriculture his present authority to establish standards for wages, transportation, and housing for farm workers recruited by the U.S. Employment Service. The National Consumers League calls the House resolution (No. 12176) thoroughly bad, particularly in that it would, the league says, permit undercutting of existing area wages and other standards. The league goes on from there to assert that importation of braceros should be eliminated over a 5-year period.

The bracero program has worked well for the imported laborers and for the farm-owners. However, it has worked a tremendous hardship on the native American farm laborer.

Its purpose was to assure an adequate supply of farm labor and incidentally stop the evil of the invasion of "wetbacks" who often were exploited and were constantly subject to deportation. Its purpose was not to depress farm wages or to drive the native farmworker out.

A case can be made for the theory that the bracero depresses wages. He certainly is too tough competition for the native migrant laborers. While the bracero can earn enough money in 3 to 6 months for his family to live on in Mexico for twice as long, the native American farm worker cannot live in this country on the 50 cents an hour which is the usual wage the bracero gets. (Cotton picking generally pays a little more.)

The result is that each year as the harvest season begins there is a mass exodus of Texas farm workers, mostly Latin Americans, to points in the North and Northwest where they can get better wages and are not so directly exposed to competition from their fellow Latins from across the border.

What is needed, it would seem, even more than a program of phasing out the importation of braceros over a period of years is to raise farm wages in Texas and other States where the minimum is anything like 50 cents an hour. Surely \$1 an hour is little enough for that hard, back-breaking work. If wages were raised to \$1 an hour the lot of the native farm laborers would be greatly improved and the domestic farmworker supply might rise sharply, making the importation of anything like 400,000 or 500,000 braceros each year unnecessary.

[From the Religious Newsweekly, New York, N.Y., June 14, 1960]

RHODE ISLAND COUNCIL ISSUES CALL FOR ACTION ON MIGRANTS

The legislative committee of the Rhode Island State Council of Churches last week issued a call for action by its member churches concerning Public Law 78. The

law, passed by the 82d Congress during the last war, governs the entry of farm labor from Mexico. It expires on June 30, 1961, but two bills now in the House of Representatives would extend and amend it.

"The present law," says the committee, "has permitted increasing numbers of Mexican farm laborers to enter the United States—one-half million in 1959—to the detriment of domestic workers who have been deprived of employment."

The committee voices its support for H.R. 12111, known as the McGovern bill, which would extend the present law but with a 20-percent reduction in the numbers of Mexican migrants admitted yearly until its abolition in 5 years.

Another bill, H.R. 12176, the Gathings bill, is supported by users of Mexican labor and some farm organizations, the committee points out. It would extend Public Law 78 for 2 years and amend it to prohibit regulations to protect wages and employment conditions for U.S. farmworkers.

The committee also cites the resolution passed by the general board of the National Council of Churches last February, which opposed extension of Public Law 78 in its present form.

"If the cause of the voiceless migrant workers is to be heard," says the committee, "it must be presented by concerned people with a Christian conscience who are willing to speak out in their behalf."

State church people are urged to contact their legislators, who are listed in the call. Attached to it was the information on the issue prepared by "the distinguished consultants appointed by the Secretary of Labor" to the National Advisory Committee on Farm Labor.

The call was issued by Mrs. Thomas S. Kraft, chairman of the legislative committee, and Mrs. Frank W. Skoog, chairman of the council's migrant ministry committee. Executive director of the Rhode Island State council is Dr. Earl H. Tomlin.

"In regard to H.R. 12176, the undersigned grower and shipper of produce both in California and Arizona is of the opinion that continuance of the bracero program in an unrestricted manner will further encourage production of surplus commodity. The continuing growth of many items depending on bracero labor is not only defeating the purpose of the program but creating surplus and depressing the market. Returns to growers are lower by far less than cost of production a great deal of the time. We urge a restudy of H.R. 12176 and imposition of limits on the program both as to crops and numbers of braceros permitted to each grower. Present commercialization and abuse of program by large growers and shippers to detriment of small growers is destroying its usefulness."

This wire sent by John Norton, Norton Produce Co.; Chet Johns Produce Co.; Floyd Smith Produce Co.

Mrs. CHURCH. I would like to say to the gentleman that in addition to the large number of church groups, consumers' groups and countless individuals seeking improvement of the working and living conditions of migrant farm laborers, including Mexicans, this gentlewoman representing the 13th District of Illinois also hopes that the gentleman's amendment will be accepted.

Mr. FOGARTY. I thank the gentlewoman from Illinois.

Mr. Chairman, on yesterday I rose and said that I intended to offer the so-called McGovern bill with the exception of the phasing out section which would end the program in 5 years. When this bill was

first enacted into law I opposed it, and I have opposed it ever since. Nevertheless, sitting on the Appropriations Committee I have insisted that we provide sufficient funds for the administration of this act. We are now in conference with the Senate on that appropriation bill. Because of the breakdown of conditions in the southwestern section of our country, the Senate added \$60,000 or \$70,000 to take care of this particular problem of migrant labor, which I think is a sign that the longer this program goes on the worse it is going to get for the average domestic farmworker in this area.

I also said yesterday that this is a real fight for survival of the small farmer in our country. Here we are passing legislation that affects only 2 percent of all the farmers in the country; 51,000 farmers are using 440,000 or 450,000 Mexican nationals brought in under this program.

We were told when this bill was first enacted into law that it was a temporary war emergency measure to harvest the increased crops at that time and that there would not be any need to expand or extend it. But we have been extending and expanding it ever since.

We were also told it was going to help the farmers in general, but we are helping only 2 percent of the farmers and the 440,000 Mexicans who are being brought in. Certainly 75 percent of those 440,000 are going to be used by only two States in the Union. To me that is class legislation.

I spoke yesterday of how this bill has affected the eastern section of our country, as well as the Northeast and the Northwest. They are all in the same boat. In the Northeast we harvest our crops and we pay for it ourselves. We have had the problem of getting the necessary labor in peak periods when we import Puerto Ricans. We also have an agreement with Canada on Canadian help, all at no cost to the taxpayers or to the Government of the United States. The farmers in the Northeast and the eastern part of the country, and down in Florida where they compete with California in some products, do not have the same advantages that southern California enjoys in the employment of these Mexicans at 50 cents an hour. Florida farmers make agreements with the West Indians and Puerto Ricans and pay for it themselves. So, it is going to be a growing competitive problem between the States. And, I am afraid that my friends in California are just being lulled into complacency. They may feel that this is a good thing forever, but I think it is just a temporary good thing for some of the large growers in the State of California, because they pay a little higher wages in California than they do in some of the other States using this Mexican labor. As a result, the growers in California are going to feel this competition as we have found it from one end of the country to the other.

Let me give you an example. A few years ago the State of New York was producing about 30 percent of the canning tomatoes in our country. After a study made by the university it was determined it was costing \$14 a ton. But,

their production has been going down over the past 3 or 4 years. They have been losing that tomato industry in the State of New York. And, in California, where these low-wage Mexican nationals are being paid now at a piece rate that sometimes yields as little as 50 cents an hour, the production of tomatoes is going up. They increased their production 33 percent over last year in the State of California. By the admission of the growers themselves, they say they can grow these tomatoes at \$9 a ton. The reason that the State of New York has lost this industry to the State of California is because they are using in increasing numbers these Mexican nationals. We were told 10 years ago, "Oh, we will not need many; this is just for the peak period." Well, in the first year of our operation we imported about 190,000. This year we are going to import 450,000. How many next year and the year after, I do not know. If we let this go by default, I can see it going up to a million or 2 million if necessary, to take care of the favored 2-percent of the farmers of our Nation. And at the same time, all the taxpayers of every State of the Union pay taxes into this kind of a program, to administer this type of farm labor program, at the expense of our domestic workers.

Everyone speaking from the well says the program applies only to stoop labor and peak periods. We would not be concerned so much about this kind of legislation if it was being used for stoop labor and peak periods, but that is not the case. Time and time again we have heard of people who are not living up to the law. Mexican nationals are driving tractors, they are driving farm machinery, which the law never provided for, and as long as they can get away with that, they will keep doing it day in and day out. Instead of peak periods now, we have examples of some of these larger growers having Mexican nationals on a year-round basis. Yet, right down on the border we have examples of growers employing as many as a 100 men and not using one Mexican national, right down on the border; not one. And, they are paying decent wages to the American farm worker. They are giving him a vacation with pay, and they are making money at it. Then, too, we have been given examples in the State of Arkansas and some of those lower-paid States where the domestic farmworkers are going up into the State of Washington from that area to get a job. And then we find these growers in two States asking for additional Mexican nationals to come in and do the work. They would not pay the domestic farmworker a decent hourly wage. It has been reported to us that some growers are paying 35 and 40 cents an hour in some of these areas, and that is why they are migrating from that area of the country up into Washington and Oregon, in many cases being paid \$1 an hour for their wages. That is the unfair part of this bill as I see it.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from California.

Mr. SISK. I appreciate the gentleman yielding. Of course, I completely disagree with most of what he said, because I do not think he is getting his information correct. But let me assume for the moment that what he says may be partially true. What will the amendment which the gentleman introduces do about the situation?

Mr. FOGARTY. These amendments, or these studies or recommendations that have been made by the consultants committee, will tighten up the program. It will help insure at least a half-decent rate for the domestic farmworkers of our Nation. If we adopt the legislation without these amendments we are saying to the domestic farmworkers in our country that they are third-class citizens. That is what you are doing. If you vote for this bill you are voting to make these domestic farmworkers third-class citizens. I do not see how in the world any of us can, on the floor, support a measure that will make any American, no matter who he is, a third-class citizen.

There is no room in this country for such a classification.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I find myself in complete agreement with the remarks of the gentleman from Rhode Island. I know the tremendously adverse effect that this has had on agricultural workers in New Jersey. I wish the gentleman would address himself, if he has the time, to the most important issue involved here, to the moral issue, to what this has done in terms of depressing the American farm labor situation and how little benefit if, indeed, any, accrues to the imported Mexican worker.

Mr. FOGARTY. By statute and under standards developed by the Secretary of Labor, we are guaranteeing these Mexican nationals certain things that we do not give to our own domestic workers.

The CHAIRMAN. The time of the gentleman from Rhode Island [Mr. FOGARTY] has expired.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, why we can guarantee Mexican nationals a minimum wage of 50 cents an hour, provide half-decent housing for them, and then deny these things to American citizens who are trying to make a living, who are hardly existing on the number of days of work they can get at this time, is more than I can imagine.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from California.

Mr. GUBSER. Mr. Chairman, I am an old tomato grower, and have had experience in it. However, I got out of the business because of the fact that I could not get an adequate labor supply. So

there is no conflict of interest in what I say here today.

The gentleman made the statement that in the California tomato fields they get 50 cents an hour and that the tomatoes can be produced for \$9 a ton. May I ask what is the gentleman's experience in actually growing tomatoes, and what is his source of information for those two statements? Because, from practical experience, I can tell you that the gentleman has been misinformed. Who pays 50 cents an hour in California to pick tomatoes? Can the gentleman name one?

Mr. FOGARTY. I am talking about the Mexican nationals.

Mr. GUBSER. There is not a Mexican national that has ever picked tomatoes at the rate of 50 cents an hour in California. I challenge the gentleman to prove otherwise.

Mr. FOGARTY. The statistics given to us and supported by the Department of Labor and by the consultants group show that it costs \$14 a ton to produce tomatoes in New York and \$9 a ton to produce them in California. As a result, California has been taking the market for these tomatoes from the State of New York.

Mr. GUBSER. If the gentleman will yield further, the reason California has gone ahead in tomato production is because within the last 10 years we have developed what is called the improved Pearson seed. We now direct-seed them into the fields instead of planting them in hot beds. It is an entirely different concept of planting. You pick the entire crop in two pickings. That is the reason we get 25 tons to the acre instead of 8 or 9 tons to the acre. That is the reason California leads.

Mr. MATTHEWS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have such deep affection for my dear friend, the gentleman from Rhode Island, that I hesitate to take the well in opposition to his amendment. But I do sincerely want to point out some facts that I believe will be of interest to the Committee.

I know the gentleman from Rhode Island is just as sincere as he can be, but the amendment he offers will put a burden on the back of the American farmer, the little farmer, more than he can possibly bear. May I remind you that all of the farm labor we get in America is difficult to obtain. It is almost impossible to get stoop labor. The amendment the gentleman proposes will give the Secretary of Labor the power of a tyrant, a dictator. Now the Secretary has already established tyrannical rules under existing law. The present program has ample protection in it for the workers who work under this program.

We in Florida admittedly do not use Mexican nationals, but the farmer in Florida has difficulty getting stoop labor at any price and the farm labor supply in all of America is important to him. Let me make this observation. In the Eighth District of Florida watermelons now are bringing about three-fourths of a cent a pound. Down in the House restaurant today I bought a

slice of wonderful watermelon, and I believe it was Eighth District of Florida watermelon. I paid 50 cents a slice for it. That would mean \$4 for a watermelon for which the farmer in my district is getting 20 cents. That farmer has to get labor to harvest his watermelons. That is true in California and every other State in this Union.

I say to you, do not press further on the back of the farmer these rules and regulations that make it impossible to get this labor. Look at the house where the farmer lives as well as you look at the house where the farm laborer lives. Many of these little farmers live in far worse houses than the laborers who work for them. Their economy is such that they just have to do it.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from Ohio.

Mr. HAYS. The other day some of us helped the gentleman get an amendment adopted, and he very rightly got an amendment in to build his entomology laboratory in Florida.

Mr. MATTHEWS. That is right, and I am very grateful.

Mr. HAYS. As a friend who is usually glad to help the gentleman, I want to suggest, Do not push your luck too far.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from West Virginia.

Mr. BAILEY. May I say to the gentleman from Florida that I have enjoyed the entertainment he has furnished the Members of the House.

Mr. MATTHEWS. I hope I have given some factual evidence, too, because this is a very important bill.

Mr. BAILEY. When I conducted some educational hearings in Florida in the field of migrant farm labor I found out there were quite a few Floridians in that field. They start coming north in the spring of the year, before the school session is over, and they do not get back until after school has convened for 2 or 3 months.

Mr. MATTHEWS. We are trying to correct this situation, and I believe we are making progress. The main point is do not put on the back of the farmers of America this additional burden which I do not believe they can assume. I do not think it is proper to ask them to assume it. The amendment of the gentleman from Rhode Island will be a burden that the farmers of America just cannot stand.

The CHAIRMAN. The time of the gentleman from Florida [Mr. MATTHEWS] has expired.

Mr. McGOVERN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY]. I dislike to take issue with the gentleman from Florida, who has just spoken, not only because he is a very good friend of mine but because he has reminded us of his hazardous combat experience. But the gentleman has made repeated reference in his remarks to the necessity of this program for the small farmer. I

would like to approach the problem from that standpoint. It was the welfare of the family farmer that led me to introduce legislation to relieve some of the depressing conditions brought about by the continuation of this program in its present form. There are only about 2 percent of the farmers of this country who use bracero labor.

Last week we had an important agricultural measure before the Congress that was designed to do something about depressed conditions.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. McGOVERN. I yield.

Mr. THOMSON of Wyoming. Do I understand the gentleman to contend that the small family farmer does not benefit from this legislation?

Mr. McGOVERN. I am saying that only 2 percent of the farmers of America, big or small, use bracero labor. The other 98 percent do not benefit from the program at all. I would like to explain that it is actually a threat to the other 98 percent of our farmers.

Mr. THOMSON of Wyoming. I know that in our State and in other areas the small farmers producing sugar beets chiefly on reclamation projects are the ones who employ this labor. It is essential to their operation.

Mr. McGOVERN. The amendment before us does not terminate the bracero program. What we are talking about is an amendment to protect the American farmer and farmworker from foreign competition that undermines our domestic standards. The bracero program has actually been used in a competitive manner to further weaken the position of those farmers who do not use imported foreign labor.

For example, we have the statement from William L. Batt, secretary of labor and industry of the State of Pennsylvania. I want to quote from the statement he made:

As secretary of labor and industry in Pennsylvania, I am equally concerned with the disadvantageous position of our State's farm employers as a result of the Mexican program. For instance, last year, Pennsylvania tomato growers paid harvest hands a minimum of 77 cents an hour while their grower-competitors close to the Mexican border in the Southwest paid harvest hands 50 cents an hour. Obviously, this situation is unfair to Pennsylvania State farmers since both Pennsylvania and Southwest U.S. farmers compete in the same markets.

It has been argued that the braceros are needed to do stoop labor that American workers are unwilling to do. But the braceros are being used in many cases for work that American workers are willing to do. They are not being used exclusively for stoop labor. They are being used to drive tractors, they are being used as vegetable packers; they are being used as truck drivers; they are being used to handle mechanical equipment, irrigation equipment. They are also being used as ranch hands in some parts of the Southwest where on a low wage scale they are in direct competition with the ranchers and the farmers of my part of the country who must depend on their own labor.

Certainly I would be the last Member of the House to advocate limitations that would in any way further weaken the already depressed condition of the American farmer. I think it is a tragic thing that the House saw fit last week to reject the bill which would have done much to increase the income of the wheat and feed grain farmers of this country. For that reason it may be difficult for some of us to support the minimum wage legislation which is scheduled for House action tomorrow. It is difficult for those of us from agricultural areas to vote for legislation that would give high school girls working as clerks \$1.25 an hour when the average return to the farmers of America last year was only 71 cents an hour.

Mr. Chairman, the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY], which contains the core of my bill, H.R. 11211, is designed to prevent the Mexican imported labor from undercutting the American farmer, the American worker and the American conscience.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I recognize the sincerity and the high purpose of the author of this amendment and of all who support it, but I cannot recognize the correctness of their information.

I do not know of any place where any Mexican bracero is working for 50 cents an hour. I know where Mexicans are working for 50 cents an hour and less, but I know of no Mexican under contract under the bracero law who is working for 50 cents an hour.

There are estimated to be 8,000 wetbacks in the United States at the present time. That is down from about 200,000 before we passed this bracero law. There may not be a wetback working in the United States who makes 50 cents an hour today, and certainly there was not one before we passed this bracero law. As I say, a few years ago there were probably 200,000 wetbacks in the United States. They are the people who are here illegally. They are the people who crossed the river or the border force under cover of darkness. They are the people who are here in violation of the law. They are the people who sleep on the canal ditches. They cannot appeal either to the Mexican consul or to the American authorities because they would be sent back.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I cannot yield at the moment but I will try to yield before I get through.

It is my belief that many Members of this House are thinking in terms of wetbacks in their consideration of this bill, and not in terms of braceros. The operation of this law has just about cured the wetback evil. We set out to do it and we have just about done it. The wetbacks have been cut down from probably 200,000, or a quarter of a million, down to an estimate of 8,000 last year. We are making excellent progress.

Mr. BAILEY. Mr. Chairman, will the gentleman yield at that point?

Mr. POAGE. I cannot yield just now, I want to make my point. The gentleman has interrupted everybody who has spoken and has not asked any time of his own. I am going to make my point, and will then try to yield.

The wetback evil was cut down by this bracero bill. We are not proud of the wetback condition, nobody was, and I know my friend from Rhode Island would not intentionally do anything to throw us back to that system. The gentleman from Rhode Island and others who seek to modify this law live a long way away from these conditions.

It is obvious they do not know anything about the Mexican worker problem. They get what is happening by reading a bunch of newspapers about wetbacks. These braceros are not wetbacks. These braceros have a contract which is enforceable in the United States. The braceros have the power of our Government and of the Mexican Government behind them. They are not homeless, lost people. These braceros are well cared for. They are people who can enforce their rights. They do not bring their wives and children into the United States. They are all adult male workers who must pass very stringent physical examinations.

These braceros are doing all right, and there is no reason for sobbing about the bracero. He is making more money in a few months here than he could make at home in a year. If you repeal this or if you make it ineffective, two things are going to happen.

In the first place, there is going to be a stream of wetbacks to fill all of the area close to the border. They may not get to Arkansas, they may not get to northern California, but they will fill all of southern California, Arizona, New Mexico, and most of Texas. Those will be wetbacks. They will indeed destroy the wage structure of all agricultural works.

Then there will be such an influx of Mexican immigration as this country has never known.

Do you realize that the present law allows Mexicans to migrate to the United States without limitation? There is no quota on the Mexicans. All Mexicans who can meet our health and education standards can come to the United States for permanent residence, and they will come. They will bring their families instead of leaving their families in Mexico where they can live on a few pesos a day. They will bring their families into the United States and they will come as American citizens and we will have to support the whole group of them. We will have them on a 12-month basis rather than on a 60-day basis. What will that do for our present American citizens who do agricultural work?

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent (at the request of Mr. POAGE) he was allowed to proceed for 3 additional minutes.)

Mr. POAGE. Mr. Chairman, is that what you want to do? I do not think it is what you want to do. I do not think anybody wants to do it.

There is one other phase of this problem I want to mention, and I will then try to answer some questions.

I want to make one point, and the point was mentioned here a while ago. You are asking an impoverished industry to stand the cost of additional expense. Unfortunately but possibly understandable, it is largely the very Members who have never voted to increase the earnings of our farmers who are now saying that they want by law to increase the burden and expense of our farmers. I do not say that is true entirely, but very largely. The very people who refuse to give the farmer a fair return now say that that farmer must take out of his poverty and pay a wage he cannot afford to pay. Throughout our whole history an increase in farm prices has always resulted in a corresponding increase in the wages of farmworkers.

Under this amendment if one individual in the community went to Chicago, advertised and ran a special plane down to Lubbock, Tex., to carry people down there, then every individual farmer in the plains country of Texas would have to run a special plane down there before he could hire any braceros. That is what this amendment provides. It provides that no farmer can employ Mexican labor unless he carries on the same type of recruitment which any farmer in that area carried on to get domestic labor. The big farms can carry on those advertising campaigns, but there is not a small farmer in the United States who can do it, and you know it. I am sure that this amendment was not so meant, but it clearly discriminates against small farmers.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from West Virginia.

Mr. BAILEY. I do not want the gentleman to impugn the statement of the gentleman from South Dakota. The quotation from the labor commissioner of Pennsylvania was taken from testimony before my committee on the migrant labor bill.

Mr. POAGE. I have not discussed the statement of anybody in Pennsylvania.

Mr. BAILEY. What the gentleman said was correct.

Mr. POAGE. I have not discussed a statement by anybody in Pennsylvania.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Michigan.

Mr. BENTLEY. I think the gentleman should make one particular point clear when he is comparing the bracero program with the wetbacks that come in. Under this Mexican contract labor program, these Mexicans are admitted only after a most careful screening and examination for sanitation and health. If you have a lot of wetbacks coming in with no restrictions, with no examinations, nothing like that, you can well imagine that we could very easily have some very serious epidemics with them coming in without any screening at all.

Mr. POAGE. We certainly could. The program has been working so well that it seems to me to be a tragedy to destroy the program that has done so well.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think that my colleague the gentleman from Texas [Mr. POAGE] has spoken very wisely concerning this amendment. I think his discussion of the problems involved was actually brilliant and should be impressive on the Members of this House.

There is a surprising degree of misunderstanding about this program for using Mexican nationals to work on our farms where domestic labor is not available. Knowing that this program has been reviewed and renewed year after year, you would assume that somebody on the floor knew a little something about it. The bill we have here today is only about three lines in length. It simply extends the act now in operation. I have great respect and admiration for the gentleman from Rhode Island [Mr. FOGARTY], and the gentleman from South Dakota [Mr. MCGOVERN], who are sponsoring the amendment proposing a gradual termination of this Mexican labor program.

The gentleman from South Dakota, [Mr. MCGOVERN] is a highly respected member of the House Committee on Agriculture. He is one of the most able, active, and effective friends the farmers of America have in the Congress. Moreover, he is a conscientious and diligent worker in behalf of all working people, whether on our farms or in our factories. He has espoused and urged the action that now is proposed in the amendment by the gentleman from Rhode Island. He presented the proposition to the House Committee on Agriculture. I applaud him for urging and fighting for what he believes to be right.

However, our Committee on Agriculture, after long hearings and thorough study, concluded that the continued use of Mexican labor on our farms is essential to the production and harvesting of many of our crops which are essential to the well-being—the diet and health—of all our citizens. Our committee was convinced that, by proper administration of the program by the Department of Labor, our farmers and consumers both would be benefited, and there would be no adverse effects as to the employment, wages, and working conditions of American citizens who wish to join the farm labor force. I regret deeply that I find myself today in disagreement with my esteemed friend from South Dakota whom I admire so greatly.

Now let me get down to the proposition in the Fogarty amendment. I think what the gentleman from Rhode Island is afraid of is that some of these so-called Mexican braceros are going to take away some American jobs. Now, that is not it. The Secretary of Labor administers this program, and he must solemnly certify that there is no local worker available for a job, before it may be offered to a Mexican national.

Now, if anyone wants to impugn anybody's motives in the operation of this

program, then impugn the Secretary of Labor's motives. You cannot hire a man from Mexico unless the Secretary of Labor says so. Now, how is he going to take away a job in West Virginia, Pennsylvania, or up in Rhode Island?

Mr. FOGARTY. I did not say that.

Mr. COOLEY. I know you did not say that, but I know your friendship for organized labor in America, and I know that you must have some regard for organized labor. If I thought this bill was going to displace an American worker, I would vote against it. But, I am saying to you that it will not displace an American worker if the Secretary of Labor is a man of honor and integrity.

Mr. FOGARTY. I never complained about that.

Mr. COOLEY. What is your complaint?

Mr. FOGARTY. My complaint is that the continuation of such a program is making third-class citizens out of domestic farmworkers of this country.

Mr. COOLEY. That is just a lot of bunk and you know it. We are not making third-class citizens out of the domestic farmworkers. These are Mexican nationals.

Mr. FOGARTY. I am talking about the domestic farmworker.

Mr. COOLEY. They work under conditions that are better than the conditions under which our own workers work, and you know it.

Mr. FOGARTY. That is just what I have been complaining about.

Mr. COOLEY. All right. We first guarantee that they must come up to certain health standards; we guarantee them subsistence, a certain duration of work, medical care, even burial expenses.

Mr. FOGARTY. But you will not do that for the American worker.

Mr. COOLEY. Certainly not. Then you would be going far afield.

Mr. FOGARTY. Why?

Mr. COOLEY. You would have people running all over the country because they would want to come in under a program that they would not fit into at all.

If you are talking about improving the conditions for our own American farm people, then I say to this House: Join with those of us representing rural areas to develop public policies which will enable farmers to command decent prices for what they deliver into the marketplaces, so that they will have money to pay better wages and then to earn a reasonable profit for themselves.

I emphasize to the House that, according to the Department of Agriculture, the hourly pay of farm workers in 1959—for owner-operators and labor combined—was only 71.5 cents an hour, while the average wage of workers in factories was \$2.22 an hour. Farm operators actually paid their workers more than they showed in hourly wages for themselves.

It is my hope that we soon again may have in Washington a climate more sympathetic to the problems of our farmers, and that we may then restore to them the opportunities for sharing equitably with all other Americans in the rewards of our free enterprise system.

Now, specifically, with respect to the amendment before us, I submit to you this analysis:

One provision of this proposed amendment—subsection (C) on page 2, lines 11 to 15 of the McGovern bill H.R. 11211—is so drastic and far reaching in its effect that it, alone, is sufficient reason for defeating this amendment. No legislative provision as important and complicated as this amendment is should be adopted without the most exhaustive consideration by the appropriate committee of the House, by the executive agency involved, and by the industry which will be affected thereby.

The provision I refer to could put out of business every small fruit and vegetable grower in the United States who depends upon Mexican or other migrant labor to harvest his crops.

The provision reads:

Such workers shall be supplied \* \* \* only if the Secretary certifies that \* \* \* (C) reasonable efforts have been made to attract domestic workers for such employment, including independent and direct recruitment by the employer requesting foreign workers, at terms and condition of employment comparable to those offered to foreign workers.

Taken in conjunction with the report of the President's consultants—and this amendment is stated to be a legislative expression of the recommendations of those consultants—this provision means that if one employer in an area is successful in recruiting seasonal workers by "independent and direct recruitment" no other farmers in the area will be permitted to employ Mexican workers unless they, too, undertake this same kind of "independent and direct recruitment."

This means that if a big corporate farming enterprise advertises in the newspaper in Detroit or West Virginia and is able to meet its labor requirements by an extensive and expensive advertising and recruiting campaign, and perhaps by bringing the workers to California or Texas in a chartered airplane, no other farmer in the area will be eligible to have any Mexican workers referred to him unless he has undertaken the same kind of recruitment program.

Obviously, it is utterly impossible for the small farmer to undertake this kind of labor recruitment.

The proponents of this amendment have expressed their interest in the small farmer and yet this one subsection in the proposed amendment would do more to put small fruit and vegetable farmers out of business than any legislation which has ever been enacted by this Congress.

The interpretation I have placed on this is by no means fanciful. The Department of Labor has already tried to put into effect regulations involving this same principle and imposing on farmers requirements for recruitment comparable to those I have just described. The Labor Department has not been able to put these regulations into effect because there is no legal justification in the present law for them. It seems quite clear that if this Congress were to give the Department of Labor the legislation which is now here proposed, it would be

construed and interpreted in regulations in exactly the manner I have described.

I will say to my friend from West Virginia [Mr. BAILEY] if you have any coal miners in West Virginia you want to put to work in the agricultural fields of America, the jobs are there waiting for them. But they will not take them.

Mr. BAILEY. If we attempted to give those favors to our own farm laborers that you are giving to these Mexicans, then you would call it socialism.

Mr. COOLEY. But you could not get two of your people to go out to California or Arizona and take these jobs.

Mr. HOFFMAN of Michigan. Or to Michigan.

Mr. COOLEY. Or to Michigan, or to Minnesota, or to any of 32 other States of the Union.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, this bill is serious. It is needed in 30-odd States of the Union. There is not a single Mexican who comes to my State or to my district. I have no personal interest in this. I have only a general interest. But a man told me here today that in Georgia, for instance, in three counties in his district, if they did not have this Mexican labor come in, they could not pick the cotton. And they do not pay any 50 cents an hour. They are paid by the hundred pounds they pick—\$3 a hundred. And some of them pick as much as 400 and 500 pounds a day, they tell me. They are not underpaid. If they were underpaid, that, again, would be the fault of the Secretary of Labor.

Mr. HOFFMAN of Michigan. And when they pick cherries, they pay them by the pound or by the carton.

Mr. COOLEY. If these people from Mexico were underpaid, they would not come here. I do not think the Secretary of Labor would approve a contract to bring in slave labor to work in the agricultural fields of our country.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. FOGARTY. I have never made that complaint. I said, and I say it again, that when you vote for the extension of this law, you are voting to keep down the American citizen who is trying to make a living on the farm as a farmworker. You are voting to keep him down so he cannot get up. You want to kick him while he is down; that is what you want to do.

Mr. COOLEY. You are accusing the Secretary of Labor—

Mr. FOGARTY. No; I am not.

Mr. COOLEY. If he performs his duty as we intend him to perform it, you cannot have any second-class or third-class citizens; you cannot have any starvation wages.

Mr. FOGARTY. We do not have a minimum wage for the farmworkers of this country.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ANDERSEN of Minnesota. Just last week the gentleman from Rhode Island voted to hold down the farmers.

Mr. COOLEY. He has voted against the farmers every time he has had a chance to vote.

Mr. FOGARTY. I voted for the farmers until I saw the light. When I realized what your committee was doing, loading down our people with all these programs that have cost the people billions of dollars in taxes, that is when I changed.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. BECKER. Mr. Chairman, I object.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. UTT].

Mr. UTT. Mr. Chairman, I asked for this time in order to answer two rather important questions posed to the gentleman from Rhode Island by the gentleman from New Jersey. Question No. 1: Can you cite any instance where the Mexican national has been helped? And secondly, Can you cite any instance where domestic labor has been helped by the program?

The gentleman from Rhode Island could not answer those questions, because he does not have the facts.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. UTT. I yield.

Mr. FOGARTY. I did take some time to go out and have a look at some of the shacks that they have in California which house some of these domestic workers. I went down through southern California and watched Mexican nationals being treated like cattle while they were being selected for employment. I remember years ago going to cattle auctions when the auctioneer had a cane and he would jab the cow and move her around to see how lively she was. The selection of these Mexican nationals reminded me of the auctioneer. I saw that with my own eyes.

Mr. UTT. I want to answer the two questions the gentleman from Rhode Island did not answer. No. 1, What good does it do the Mexican national? I spend a good deal of my time in Mexico. I have watched braceros come back with enough money to buy themselves a few acres and go into business for themselves. It has been the best break they have ever had. It is the first time in the history of Mexico they have not had to import corn or import beans, two of their basic products, because these braceros have come back with American ideas of farming and they have at last produced enough food and fiber in Mexico to eliminate the short-

age there was in Mexico prior to that time. It is a program that as far as Mexico is concerned has worked out very, very well.

The second question is, Where has it helped American domestic labor? This is important. I can cite many instances. There is one instance in my district where an employer employs 20 domestic laborers the year round. He employs 40 braceros under the Mexican program in order to do his planting and harvesting. If that supplemental labor is taken away, he will have to let the 20 domestic laborers go whom he hires the year round, and reconvert his farm from beans and other special crops to dry lima beans; he will have one man, one tractor, one harvester, one thrasher, and that will be the extent of his operation, because he cannot support the domestic labor he hires without the supplemental labor from Mexico.

Mr. FOGARTY. I agree on the good it has done in Mexico, but one of the complaints we were given in southern California by the growers was that there was too much of that, and pretty soon they will be coming in here and asking you people to support some kind of tariff bill to support the importation of some of these crops that are being grown right across the border.

Mr. UTT. That might very well be, but the economy of Mexico is helped by the program.

I think you found probably what you were looking for in certain places, but if you had been at one of the places in my district you could have gone in with your family and had one of the best meals you ever ate in a good house. I know where you traveled, and I do not doubt that you found what you were looking for, but in my district we have the best housing, the best food, and the best program for the braceros that I ever saw in the United States.

Mr. COOLEY. Mr. Chairman, I should like to see if we cannot agree on a limitation of time on this amendment.

Mr. HOFFMAN of Michigan. Reserving the right to object, do we quit Friday?

Mr. COOLEY. I will vote for it, but the gentleman will have to ask the leadership about that.

Mr. HOFFMAN of Michigan. I was considering you as a leader.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. GUBSER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GUBSER. This is only on the pending amendment? The bill would be open to amendment at any point?

The CHAIRMAN. The gentleman is correct.

The Chair recognizes the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Chairman, I would like to clarify two points. Apparently some people are under the impression

that all of this language in the amendment is new to the bracero law. Actually, most of it is simply a restatement, without changing substance in what is in the law now. For example, under the current law the Secretary of Labor has to determine the need for this labor. He has to determine that this employment will not adversely affect the wages and working conditions of domestic workers. There are a few additions which are poorly drafted and for that reason should be rejected. They increase the responsibility of the Secretary, and have not been adequately considered, either by the employers or by those who speak for the employees. In that connection I would like to refer to the position of the Secretary of Labor, Mr. Mitchell. He sent a representative before our committee and he testified with respect to these amendments before you which are adopted from the report of the consultant's committee appointed by him to survey the whole program, and he said, "Responsible and informed quarters have raised questions about these amendments. Because of the time which will be necessary to carefully explore these questions, it will not be possible to submit a proposal for action in this session of Congress."

In other words, Mr. FOGARTY, unless Mr. Mitchell's position has changed, he is neither for nor against these amendments at this time, but he asks us instead to reserve judgment on them until such time as they can be carefully explored and analyzed by the agency which would have to administer them and the Congress which will either approve, reject, or change them on the basis of a more informed opinion.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I ask unanimous consent that the time allotted to me be allotted to the gentleman from California [Mr. Moss].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, I regret to find myself in opposition to one of the finest and ablest Members of the House, the gentleman from Rhode Island [Mr. FOGARTY].

I represent a farm district. Like him, I was born on a farm, and I live very close to the problems of agriculture. I know about farming and I know about braceros, because many of them are in my district.

I have observed in recent years a general improvement in the status of farm labor. For years the conditions under which some segments of farm labor has worked and lived have been substandard. The bracero law has resulted in an overall improvement of the living standards of farm labor. The bracero program has tended to help, not hurt domestic labor, particularly migrant labor, because it has tended to raise the

prevailing wage, and improve living conditions. These braceros have done remarkably well and usually get quite good pay.

The domestic laborer is demanding and getting a higher standard of living, and he is now enjoying a higher standard of living in my congressional district than he otherwise would for years to come as a result of the bracero program. They have to provide good living conditions. I hope you will continue this program in its present form under this bill.

I want to point out that I share the views expressed here today by the gentleman from Arkansas [Mr. GATHINGS]. He has made an excellent presentation. Actually the Secretary has no authority to control wages and housing for domestic workers. He has far overstepped his legal authority.

I would like to see the Gathings bill substituted for the pending measure but in view of the general atmosphere in the House of Representatives today, I realize that this is probably impossible. Moreover, the Gathings bill represents a restatement of existing law insofar as the authority of the Secretary of Labor is concerned.

Under the circumstances I trust the House will defeat the motion of the gentleman from Rhode Island and pass the 2-year extension bill.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. DENTON].

Mr. DENTON. Mr. Chairman, I rise in support of the amendments to the extension of Public Law 78 offered by the gentleman from Rhode Island. He is the chairman of the subcommittee of which I am a member, and which deals with the appropriation for this program.

Nine years ago, during the Korean war, when there was a shortage of labor and a need for additional manpower to produce food, Congress enacted this law to bring Mexican workers—braceros—to work on U.S. farms. During the first year of the program, 192,000 Mexicans were brought into this country. Although there are 4 million people unemployed today, the program is still in force, and instead of 192,000 Mexicans, approximately 450,000 were brought into the United States last year.

There has been considerable discussion in our subcommittee about the Mexican farm labor program. In order to find out more about it, this year we traveled through the parts of the country where the Mexicans or braceros are employed. They work on huge, corporate-sized farms containing acres and acres of crops—not like the family farms we have in Indiana. We visited the reception centers, examined the places where the braceros lived, and talked with labor officials, the farmers who employed the workers, and with the braceros themselves. As a result of our study mission, the following conclusions are inescapable.

First, this program has a depressive effect on American labor. In areas where Mexicans are employed, there is considerable unemployment among do-

mestic workers and their wages are lower in areas where there is widespread employment of Mexicans.

Second, this program is unfair to the majority of farmers in our country. Only about 2 percent of American farms use Mexican labor, but it costs the Department of Labor about \$2.5 million a year to enforce this program. Thus, the farmers using Mexican labor receive the benefits of cheap labor and that gives them an unfair advantage in their competition with family farms, which employ domestic workers.

In this connection, many Members of Congress and others appeared before our subcommittee to protest the fact that the Secretary of Labor had issued an order which empowered himself to protect domestic labor employed through the U.S. Employment Service under authority of the Wagner-Peyser Act. It also might be well to point out that under the treaty with Mexico and according to Public Law 78, Mexicans are not supposed to be employed except in cases where there is no domestic labor available.

In order to show that domestic labor is not available, it would seem to follow that it was not available under the same conditions as Mexican workers and that would make it inevitable that the Secretary of Labor should issue regulations giving authority to the Department to protect domestic labor in the same way as Mexican labor.

We were told that Mexicans are being used only as stoop labor in certain seasons of the year and that it is impossible to find domestic labor to do that work. However, by talking with the parties involved, we found that there are no studies or surveys that show how much of that work could be done by domestic labor or machines, or how much domestic labor is available for that purpose. A great deal of that work could be done by machines. In many cases Mexican labor is used for work that is classified as other than stoop labor.

Almost every religious organization in the country, as well as the AFL-CIO, the United Mine Workers, the Railway Brotherhoods, and numerous other organizations are opposed to this program.

Because of the many complaints about this program, the Secretary of Labor appointed a distinguished group of private consultants to study the program. They told him that the Mexican program was affecting U.S. farmworkers adversely, and that it should be extended only if it were to be modified substantially. They have recommended that a number of changes be made if the program is to be extended.

I see no need for continuing this program. It has a year to run and if it is to be extended, it is better that Congress consider this matter calmly next session when it is not pushed by the rush for adjournment.

However, if it is necessary to continue the program, I certainly feel that Congress should adopt the amendments of the gentleman from Rhode Island. These amendments are the same ones which the consultants recommend as necessary to protect domestic labor and to insure that Mexican labor is used only

in cases where American labor is not available. If these amendments are adopted, I intend to support the program. Otherwise, I shall vote against it.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, I rise in support of the McGovern amendment and I should like at this juncture to take this opportunity to urge members of the Committee to read the letter by Prof. Varden Fuller, of the University of California, which is inserted in the hearing record page 293. I shall quote a paragraph or two if time allows.

All of this legislation has direct bearing on the problem of migrant farm labor and the incredible and disgusting conditions which exist today in the United States. I am talking about the hundreds of thousands of children of migrant farm labor families—no one knows if they number 400,000 or a half million or more—who work in the fields as young as 7 and 8 years, who live in coops and trucks and know no homes, who live in filth and disease, who attend school only occasionally, if at all.

I am talking about hundreds of thousands more adult American citizens who in 1957 worked an average of only 125 days per year, with only a few additional days of work off the farm, and whose average real wage per day was \$4.91, and whose average total annual income was \$738 for farmwork.

These figures are all cited in the hearing, and I would urge all of you to read them. Let me quote from Professor Fuller's testimony.

2. According to the statistics of the U.S. Department of Agriculture, the hired farmwork force has not declined in proportion to declining farm labor needs and average farm employment per worker has fallen. Hence, as the importation volume has built up, wastefulness in utilization has grown ever worse.

3. Our failure to utilize domestic labor effectively means a loss to the individuals concerned and to the national economy which can be conservatively estimated at not less than a billion dollars per year. This is a substantial sum and is especially significant to people whose opportunities are so limited that they spend more time looking and waiting for work than working and are seldom able to earn as much as \$1,000 per year.

By a series of statutory exclusions, farmworkers are made the most defenseless major occupational category in America. The farmworker's inherent American right of self-dependence and self-determination is further infringed upon when the power and authority of the National Government are invoked to aggravate his defenseless position by flooding his labor market and discriminatorily subjecting him to competition that the more powerful and better situated occupational categories of the American labor force do not have to confront.

As long as alien contract importation offers a temporary solution of farm-labor-supply problems, it is unrealistic to expect that any progress will be made upon basic and fundamental solutions. Consequently, it is important that an affirmative and fair agricultural manpower policy be adopted. Committing the present Public Law 78 program to a gradual but definite termination is the first and indispensable step toward this objective.

Mr. Chairman, the figures I quoted earlier were developed from U.S. Department of Labor statistics. Unfortunately, there are statistics and more statistics available on the subject of migrant farm labor, and virtually all of them are incomplete, confused, and divergent. This fact itself is actually symptomatic of the problem, for the lives and conditions and numbers of the displaced persons who are American migrant farm laborers are obscure, ignored, and overlooked, almost as if they were outside society altogether.

The long-range effect of Public Law 78 has been to create a surplus of cheap labor by the importation of foreign farm labor from Mexico. Domestic farm laborers have been driven into migrancy, leaving their homes hunting jobs which pay a living wage, or just for jobs alone, regardless of the pay involved. Enacted as a temporary measure to assure against uncertainties of farm-labor supply during the Korean emergency, it is still being used to bring more and more Mexican labor into the country.

The McGovern bill would phase out this program completely, giving employers 5 years to adapt. The Sisk measure would continue the program as is.

Furthermore, the McGovern bill would authorize the Secretary of Labor to establish standards to assure that no Mexican braceros will be used to cut wages, conditions, or employment opportunities of domestic farmworkers during the 5-year phase-out period. This means that with strong administrative action we can expect immediate and direct action if the McGovern bill is passed.

In contrast, the Sisk bill does nothing to implement the authority of the Secretary of Labor.

I do not know of a more black-and-white issue than the one involved here. I urge passage of a measure to phase out the importation of Mexican farm labor and, in the meantime, strengthen administrative authority to protect American farmworkers.

Mr. GROSS. Mr. Chairman, I ask unanimous consent that the time allotted me be given to the gentleman from Iowa [Mr. HOEVEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent that the time allotted me be given to the gentleman from Iowa [Mr. HOEVEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. BREEDING].

Mr. BREEDING. Mr. Chairman, not over an hour ago I had lunch with two beetgrowers from my district who represent the Southwest Irrigation Association in opposition to this amendment and in opposition to what the gentleman from South Dakota [Mr. McGOVERN] stated.

These gentlemen told me that the Mexican nationals who come into their

area draw approximately a little over \$1 per hour for the work they do, because most of it is done on a contract basis. It gives them a little over \$1 an hour. They are not allowed by rule and regulation of the Department of Labor to let these men operate tractors or trucks. They do entirely stoop labor. They are also regulated so far as housing accommodations are concerned, which are set up by the Department of Labor.

I asked these gentlemen what would happen if they did not have this labor. "Well," they said, "we would quit shipping Honeydew or Rocky Ford melons to the East, we would quit shipping trainloads of onions, we would quit shipping sugar beets to the factories, and certainly a lot of Irish potatoes."

Mr. Chairman, I am in opposition to the amendment, and I am for the bill.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from New York [Mr. SANTANGELO].

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. SANTANGELO].

Mr. SANTANGELO. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Santangelo at the end of the amendment offered by Mr. Fogarty add the following new section:

"Sec. 5. That section 501 of the Agricultural Act of 1949, as amended, is amended by deleting the first paragraph and substituting therefor the following section:

"Sec. 501. That the Secretary of Labor shall not authorize the entry of Mexican nationals for farm labor except for the cultivation and harvest of food supplies."

Mr. SANTANGELO. Mr. Chairman, I am supporting the Fogarty amendment because I think it is a protection for the domestic worker. The joker in this bill which no one has noticed and which nobody has seemed to talk about is that the Mexican nationals, or 60 percent of the braceros, work on cotton farms.

Since this program was started in 1949, the number of braceros has risen from about 107,000 to 437,000. 60 percent of these Mexican nationals are working on cotton farms and not on food farms which are producing our provisions, not on those farms which are producing perishables.

Mr. Chairman, it is a well known fact that we have an abundance of cotton stored in our warehouses. We have over 769 million pounds of cotton stored in the warehouses of the United States. Over 5 million bales are owned by CCC. We are giving this commodity a price subsidy, we are also trying to hold the farmers' production down by reducing the number of acres which they plant and we urge them to reduce the production of cotton which they are producing.

Now, what are we doing by this program? We are taking cheap Mexican labor coming into 5 States and we are letting them work on cotton farms where the farmer can produce more, so

that we can subsidize them by giving them price supports and paying storage charges for cotton which the merchants now have in warehouses.

Let us look at the 5 States that are using these braceros: Arizona, Arkansas, California, Texas, and New Mexico. The testimony in the record indicates that 100,000 American citizens fled in the face of these braceros coming in under this program. One hundred thousand American workers have been displaced by this program. They talk about the food supply, but they do not talk about the cotton situation.

I was looking at the U.S. News & World Report and I noticed that California, which has been most vociferous in opposing the Fogarty amendment, in the last 10 years increased its population by over 4 million; it has now over 15 million people, and yet they say there is a shortage of manpower to work on the farms. Arizona increased its population 71 percent; Texas increased its by 23 percent, now over 9½ million people. These are the States that are getting the benefit of these braceros. I understand that in connection with perishables it might be necessary to have foreign workers on the farms in many places to prevent their loss but it is different with respect to cotton, because cotton is not perishable. I think the amendment is unjustified. I support the Fogarty amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, with all due respect for the gentleman from New York, I would just like to say that it is rather typical, I think, of many people who have been opposing this program. It has been my observation that most of the people who oppose this program know absolutely nothing about how it works. They have been swayed by the do-gooders who are trying to go about the country abusing a program.

Now, with reference to cotton I want to say this: I come from a section where cotton is the principal crop. This year, if we have a normal season, we will have no need at all to import any labor, despite the fact that within the last 10 years we have lost 8,000 population in my county, 8,000 in the adjoining county, and 7,000 in the county above. Those three counties produce over half of the cotton produced in my district. In a normal year we would not need any importation of labor, but if we should have a wet fall, it would be necessary to import labor, because the labor is not there. I think you would be doing a serious injustice to the farmers—and they are small farmers—who have made a crop, who have put their time, their effort, their money into the planting and the fertilization and the cultivation of it and have their crop made and then, because we are unable to get the labor to harvest that crop, be deprived of bringing in people to it. I do not think the gentleman intentionally meant to do that, but you would be doing a great injustice to a large number of people who are entirely dependent upon imported labor,

and I do not think the gentleman would want to have that injustice done. Therefore, I think the amendment to the amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, my opposition to the extension of this public law I think can be summed up in a paragraph in a letter from the National Consumers League:

This is a shocking and incredible piece of legislation in our opinion. It would continue the importation of Mexican farm workers—some half million now are imported each year—despite the evidence compiled by distinguished citizens that this program causes severe poverty, unemployment, and underemployment among domestic farm workers.

Mr. Chairman, I rise in support of the McGovern-Fogarty amendment. I think it would be an improvement to the bill.

If I may comment briefly on a visit I made to a Mexican labor camp last fall; first of all, there was, in my opinion, a violation of the law. The law, as I understand it, says that no Mexican national may be brought in if domestic labor is available. Yet, two days previously they sent back the Texas domestic workers and retained 40 Mexican nationals at this camp. I thought there was great exploitation of the workers. They were charged \$1.75 a day for their food. At noon they received a bologna and cheese sandwich, which is not in the Mexican diet, and the concessionaire then sold them tortillas (this not included in the daily charge of \$1.75).

The living conditions were not good; there was filth all round.

Because pay was on a piecemeal basis, the Mexican nationals claimed they were given poor places to pick the fruit and they could not earn as much as the domestic workers who were given better trees.

It is my contention that inherent in this program is gross exploitation.

In conclusion, may I say, that if decent wages were paid, there would be plenty of domestic workers and there would be no need to import the Mexican nationals.

I oppose the extension of this law for 2 more years or even 1 more year—if these amendments cannot be adopted.

Our State labor commissioner and his assistant, Tom Current, have made a detailed study of the migrant workers—both domestic and Mexican nationals. In a hearing conducted by Secretary of Labor Mitchell, Commissioner Norm Nilssen had this to say:

We in Oregon have made a close study of the conditions of migratory farmworkers and can cite them, chapter and verse. However, every State in which any study has been made has found conditions similar, or worse, to those found in the State of Oregon. A number of State agencies, at the request of a State legislative interim study committee, conducted the extensive survey in 1958 which led to the accumulation of a mountain of information on conditions in Oregon. The bureau of labor interviewed over 1,200 migrants in a scientific sampling of this State's sizable migrant population. In doing so, staff members of my department worked long hours, 7 days a week, during many weeks—they lived with the migrants, worked in the fields with them and sought

them out wherever they were—in the camps, in the fields, even in the railroad jungles and the taverns if that was where they were. Other agencies took assignments related to their jurisdiction.

In Oregon the public employment service is not under the bureau of labor. This separate department, therefore, had a different assignment from ours. The State employment service interviewed over 4,000 growers with respect to their problems and their viewpoint. The welfare department talked to all of the migrant applicants for aid during a 2-month period throughout the State. The board of health interviewed 2,000 migrants relative to their health and checked the sanitation of a large number of camps and fields. The industrial accident commission checked over 500 trucks and buses for safety.

The following comments relate in very brief form the findings of these agencies pertinent to the three major areas treated by the regulations proposed by the Secretary of Labor at this hearing.

#### HOUSING—TITLE 20, CHAPTER V, SECTION 602.9 (D)

The Oregon State Board of Health reported that over one-quarter of all migrant housing facilities in their survey sample were in a condition, or of a type, which were so unsatisfactory as to be menaces to the public health of the State of Oregon. The board of health, moreover, showed that many, many more than one-quarter of the facilities were unsatisfactory in one respect or another, conditions which also would be considered as unhealthful.

The bureau of labor found in one county, for example, 14 percent of the migrant population had no shelter other than bedding rolls, tarp and stick arrangements, or personal automobiles. This 14 percent included many family groups and the total migrant population at the time in this county exceeded 3,000. This same county housed nearly one-quarter of their migrant population in tents, some of which were large platform tents, but many of which were ordinary camping equipment.

The bureau of labor found throughout the State that a one-room cabin was the typical situation for a family, or for three or four single migrants. Of those family heads and singles in buildings of one kind or another in our survey sample, 75 percent were in one-room cabins. Sixty-five percent of the families were in one-room cabins. We found these families, approximately 650 rooms, or an average of 4.7 people per room.

We took no average measurement information on the size of the cabins, but anyone familiar with migrant housing knows that the cabins are extremely small. In this one room, the parents eat and sleep, feed and bed their children, entertain their friends, store their belongings, and breed and bear more children.

Although the Oregon Board of Health survey, even more than the bureau of labor survey, contains conclusive information, the Oregon State Employment Service survey adds insight into the economic context upon which we must focus some attention.

One thousand and seventeen farm operators with migrant housing answered an employment service question which showed that only 15.5 percent of their family units, and 14.6 percent of their barrack units, have been constructed since 1952. There is considerable doubt that the percentage is as high with respect to the proportion of workers accommodated. The only figure available on proportion of workers accommodated was on the barrack type. Of the barrack units built since 1952 (14.6 percent of the total barracks), only 6.3 percent of the total worker capacity was accommodated. (Table XVII and XVIII, 1958 Farm Operator Survey, OSES.)

These statistics are dramatized by the most frequent estimate of these farm operators that the life expectancy of their migrant housing was between 10 and 14 years (table XX). With 85 percent of the present housing units already over 7 years old, it is obvious that new construction was not keeping pace with the need.

Furthermore, of the 4,273 farm operators reporting (1,017 of whom had some housing), only 53 were planning any expansion (table XXI).

Since this is the housing situation, it would appear unjustifiable for a Federal agency to sanction importation of workers into a State without some prior investigation of the adequacy of the housing. If such a substantial proportion of the housing is of a quality below decent standards, it is more than likely that a substantial proportion of the imported workers would be inadequately housed.

Many of the growers in Oregon have housing of which they can be proud, and of which the State can be proud. Most Oregon farmers have accommodations which would meet any standards likely to be set. It is, however, the minority of the growers about whom we must concern ourselves, and it is that unfortunately sizable minority who should not receive the benefit of farm placement service activity until some improvement is shown in their housing.

#### PREVAILING WAGES—TITLE 20, CHAPTER V, SECTION 602.9 (C)

In our survey of the migrant in Oregon in the early part of the 1958 season, the Bureau of Labor found the average weekly earnings of the male migrant to be \$32.36 per week. This figure was corroborated by the Oregon State Employment Service study of payroll and man-day figures supplied by the growers themselves. The grower figures reflected average pay per man-day as being \$5.37 in the year 1957 for all seasonal farm workers. The low level of earnings of the individual cannot be ignored, even though the earnings of a total family, often cited, might reasonably support them if they were able to earn consistently. In our survey, we found the average family earnings to be \$80.36 during the season.

The regulations of the Secretary of Labor take on particular importance for the State of Oregon if we are to maintain the standards we now have, inadequate as they are. Farm earnings in Oregon are among the best in the country. In view of the extremely low level of actual earnings, however, we certainly should not permit Government funds to be used in such a way as might undermine wage standards already lower than necessary to maintain a minimum decent standard of living.

#### AVAILABILITY OF LOCAL WORKERS—TITLE 20, CHAPTER V, SECTION 602.9 (A) AND (B)

The problem of assuring local workers of employment opportunities before clearing an order for out-of-State workers requires consideration of several basic problems and concepts. The most prominent basic concept involves the theoretical benefit to the workers of improved wages and conditions in their local area as a shortage of workers improves their competitive situation. The automatic brake on any runaway effect of such a local shortage is normally that as wages and conditions improve, outside labor is attracted to that area.

These homely statements apply more to industry than to agriculture, however, because heretofore some agricultural industry recruiting practices have prevented agricultural wages and conditions from keeping pace, even relatively, with industry. The agricultural industry has demanded that Government supply more workers to meet labor shortages, instead of improving wages and conditions to attract more workers.

While I am not desirous of hurting the agricultural industry, nor of shutting off

services to the industry, nor of promoting sudden changes in the patterns of which I complain, I am certainly in accord with allowing basic economic forces to help the situation. Supplying outside labor when not absolutely essential to prevent grievous loss to the agricultural industry acts as a restraint on basic economic forces to the detriment of the wages and conditions.

By being overanxious to supply foreign labor to the Nation's large farms, we have allowed a vampire bat to feast at the expense of our migrant and seasonal farmworkers. The net result in the Western States is that we have two tidal waves of workers flooding over the area. The Mexican nationals have been moved into the Southwestern States and then into California in such numbers that local farmworkers have not been in much demand, and in such numbers that it could not help but have a deleterious effect on wages and conditions which would have improved more under normal economic circumstances. As the foreign tidal wave grew, the domestic labor which normally lived in those areas or normally served those areas was forced to run to the North in search of a better competitive situation. As these domestic migrants moved north more and more pressures were placed on the competitive situation of local farm labor in Oregon and other States deleterious effect of this second tidal wave of displaced domestic workers has further worked to limit improvement in farmwork conditions.

This statement does not propose to turn back the clock. The Nation must work itself out of this situation carefully, responsibly, and gradually in order not to do an injustice to either our workers or our economy. Nonetheless, the Secretary of Labor must be supported in the promulgation of such regulations as are here proposed which will act to curb unnecessary recruiting of outside labor.

Even while avoiding irreparable harm to the agricultural industry, there must still be sufficient pressure maintained on the industry to cause it to more energetically seek answers to the problems of its employees. In any event, Government funds should not be spent in such a manner as to relieve the industry of the responsibility and the need for seeking such answers.

#### CONCLUSION

To all thinking persons of good conscience, it must be apparent that there is an illness in American economic and social life resulting from the conditions under which our migrant farmworkers live and work. The agricultural industry, perhaps through no fault of its own, has not been able to solve even the uppermost of these problems. Since migrants, either individually or collectively, are not in a position to defend their own interests, and since we cannot realistically expect the industry to make any more substantial progress than it has in the past, it is incumbent upon government to provide the necessary minimum protections for these citizens and fellow human beings in our country.

The case is so strong for the regulations as proposed by the Secretary of Labor that it is clear that they do not go far enough. How can anyone argue for the expenditure of public funds to bring workers to an employer who is not able, or will not, provide a minimum standard of decency, either through sufficient wages to maintain such a standard or through a combination of wages and housing facilities which would assure such a standard? There can be no reason why the various State employment services, supported as they are by the Federal dollar, should be permitted to dispatch to any farm employer, any labor, interstate or intrastate, if the housing of that employer does not meet minimum standards of sanitation, or if

the working conditions and wages provided by that farmer undercut the general level in the area.

Actually, the proposed regulations will not make a substantial contribution to the progress of the domestic migrant worker, but they are important in any event. Substantial progress remains to be made and should be made through legislative and community approaches to the problem, preferably supported or even led by the agricultural industry. At the administrative level, however, certainly these regulations as proposed are the very least that we in this country should expect of a public official with the power and responsibility conferred by statute upon the U.S. Secretary of Labor.

This is all the more true because the standards under the proposed regulations will remain in most States fixed at a level considerably below the level guaranteed by contract to the foreign nationals we import to the competitive disadvantage of our own workers.

I trust that we are belatedly recognizing our responsibility as a nation to provide minimum levels of protection for our farmworker fellow citizens.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I rise in opposition to the amendment. I believe it is nothing in the world but a legislative monstrosity and I think it would be impossible to administer. I wanted to ask my good friend from Rhode Island some questions about it, because I am a little curious to learn whether or not he could actually explain any way in which it could even be administered. I realize, of course, the shortness of time precludes that.

I again reiterate that never in my life have I heard more misinformation passed out. I appreciate the sincerity of my colleagues who have made statements on this, but unfortunately we seem to have a bunch of do-gooder organizations who, believe you me, are spreading more gobbledygook around than I thought existed in this country.

The gentlewoman from Oregon [Mrs. GREEN], for whom I have a very high regard, just mentioned a situation which I know and I am positive she must know, must have been a violation of the law, if such conditions existed. I believe they did, because I respect the statement of the gentlewoman from Oregon. But I know that all in the world she would have had to do was call it to the attention of the proper authorities and it would have been corrected, because what she said existed was completely in violation of several sections of Public Law 78.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentlewoman.

Mrs. GREEN of Oregon. Immediately after this visit I directed a letter to Secretary Mitchell which, at the proper time, I shall ask permission to put in the RECORD.

The CHAIRMAN. The time of the gentleman from California [Mr. SISK] has expired.

The Chair recognizes the gentleman from Nebraska [Mr. McGINLEY].

Mr. McGINLEY. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from California [Mr.

SISK] and to extend my remarks in the RECORD following those of Mr. SISK.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. SISK. Mr. Chairman, I was saying that I feel most of the misunderstanding by a great many of my good friends who are not from the area where these workers are used is due to the fact that they are thinking about the old wetback situation when literally hundreds of thousands of workers were brought in here illegally, with no controls whatever, with no prevailing wage rates observed, or anything else. We tried to bring order out of chaos with Public Law 78 and I think we have, because these people may not work as long as there is a domestic worker available. That is the first point.

Now secondly, they may not work unless they get prevailing wages. They may not be used as strikebreakers. They may not be used to reduce the rate of pay. They may not be used to displace domestic workers. Any contractor employing Mexican nationals must send those home and employ domestic workers if domestic workers are available.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I rise in opposition to the so-called Fogarty-McGovern amendment and in support of the 2-year extension of the present act as proposed in H.R. 12759.

According to the Department of Labor statistics, 1,140 Mexican nationals were employed in the State of Wyoming in 1959 under Public Law 78. In Wyoming and in most of the adjoining States, these people are used exclusively in the production of sugar beets. Their employment in this activity is essential because of the fact that domestic farmworkers simply will not do the stoop labor which they are employed to perform. The domestic farmworker has not been injured, either as to the availability of work or his rate of pay.

Much confusion has been evidenced as to what the present law that is being extended provides. Mexican workers can be used only in areas where the Secretary of Labor certifies that domestic workers, able, willing, and qualified, are not available and that the employment of Mexican workers "will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed."

The effect of the proposed amendment would be to replace the general findings of unavailability of domestic workers by the Secretary of Labor with the requirement that the individual employer must show that he personally was unable to obtain domestic workers after making "positive and direct recruitment efforts." This is a burden which the small sugar beet farmer could not assume, and should not be expected to assume. It would really operate to the detriment of the small farmer. I urge that the amendment be defeated.

The season of high employment of the sugar beet producers comes at the same time as in other ranch and farm work. At this time, there is always a shortage of domestic farm labor for haying and other farming operations.

Mr. Chairman, it is essential for our sugar beet farmers that this act be extended. Otherwise, they would be completely unable to obtain the help necessary to their operation.

It has been suggested by the gentleman from Rhode Island [Mr. FOGARTY] and others that the small farmer does not benefit from the Mexican farm labor program. The gentleman is simply not correctly informed, as this pertains in our area.

These sugar beet farmers employing Mexican nationals in Wyoming are almost exclusively on reclamation projects. All of these are small, family-size farms. By reclamation law, they are limited to family-size farms, usually of 160 acres or less.

This is a key crop to these people's making a success of their farming operations. It is further a key crop as far as contributing to the well-being of other phases of our agricultural economy. As an example, it provides an important source of feed for our livestock industry.

I again refer to the effect upon domestic labor. Bringing in these Mexican nationals to perform the stoop labor essential to our sugar beet industry, without which the industry could not survive, actually is of great benefit to our domestic labor. Domestic workers are given the opportunity to perform other operations in the planting, cultivation, and harvesting of sugar beets. Payrolls in our sugar beet factories alone amount to well over \$2 million each year. This is particularly of assistance to the domestic farmworker, as it comes at a time when other seasonal employment is dropping off. It further helps the small farmer who takes employment during this slack period on the farm. In truck driving, rail transportation, the coal industry, and many others, jobs are created by reason of the basic production of sugar beets.

Since the enactment of this law, the number of Mexican wetbacks has dropped from over 1,075,000 in 1954 to only 30,196 in 1959. Failure to extend the act would simply mean a return to the wetback situation. We certainly do not want that.

The extension of this act is essential. It is in the best interest of the farmer, the domestic worker, the public in general. I urge that the Fogarty-McGovern amendment be defeated and that the bill be passed as reported.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, the distinguished gentleman from North Carolina, the chairman of the Committee on Agriculture, succinctly stated the reason for the amendments offered by the gentleman from Rhode Island [Mr. FOGARTY] when he said that, as a matter of fact, under the present program, Mexican nationals, known as braceros, are treated better than domes-

tic migrant labor. That is exactly the situation at which the Fogarty amendment is aimed.

I wish to emphasize that the Fogarty amendment does not kill or cripple Public Law 78. Public Law 78 is extended for 2 more years. The Fogarty amendment, however, also clarifies the safeguards of existing law designed to protect domestic migrant labor. These provisions have been recommended by the committee of distinguished Americans who worked for 9 months last year studying the operation of this act. They concluded that these clarifications in the provisions protecting domestic migrant labor were needed to make the bracero program work effectively. Nothing we have heard here today would establish the contrary.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GEORGE P. MILLER].

Mr. GEORGE P. MILLER. Mr. Chairman, I am going to vote for the Fogarty amendments and I am going to vote for this bill, because I realize that without the bill American agriculture is going to find itself in a plight in which it cannot survive.

In 1937 as a member of the California Legislature I was sent into the "Grapes of Wrath" country, and what was recited in that book was true—all too true. Unfortunately it is a fact that we need Mexican labor now. We give them better conditions under which to work and to live and we pay them more than we pay our own people. In spite of what the distinguished gentleman from North Carolina says, this is not because the Secretary of Labor insists upon it, it is because the Mexican Government, protecting its own nationals, insists upon it. We have to meet the conditions set up by Mexico as a condition to its allowing its nationals to work in the United States.

If American agriculture is going to exist it has to get away from its dependence on Mexican labor. It has always been dependent on cheap labor from the time they brought in slaves to the influx of Chinese and Japanese right down the line. If you pay high enough wages and make work on the farm attractive, you will get Americans to work on the farm.

Sooner or later the status of the people of Mexico will be raised to the point where their Government will no longer allow them to come here.

My colleague from California [Mr. UTT] has told you of the progress being made in this respect.

Should we not take a long look at the dependence of American agriculture on a single source of labor—a source of labor so instable as this?

A wave of anti-Americanism or extreme nationalism could destroy the basic agriculture in this country and drive this country into chaos.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. CLEM MILLER].

Mr. MATTHEWS. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from California [Mr. CLEM MILLER].

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CLEM MILLER. Mr. Chairman, I rise in opposition to this amendment.

I rise here as one who has supported every bill of my fellow Congressmen from the cities, who has gone down the line for the liberal program of the Democratic Party.

I rise here as one who represents nothing but family farmers, and a lot of them.

I rise here as one who has worked in the fields with braceros, side by side with them, not 5 years ago; one who has hired braceros himself, because when I went into the towns and tried to find American workers to come out to my farm, I could not find any.

What is the Fogarty amendment about? This amendment sets standards. I say we already have standards, high standards. California has figured heavily in these proceedings, and anyone who does not believe that high standards do not exist in California does not know what he is talking about. If there is any doubt, I refer you to page 44 of the hearings. Read the requirements for hiring labor that are set forth there. Standards of housing, transportation, sanitation; requirements for hiring domestic labor at the going wage and so fourth.

I also speak as one who not 2 months ago called a meeting of my farmers to consider this legislation. Over 250 farmers turned out to tell me what the situation was in their fields, in their housing, and in their conditions, in order to satisfy the high requirements for farm labor in the State of California. We are paying in the First District of California \$1.25 an hour. This is the going rate. This rate must be paid to meet the high standards demanded by the State of California for Mexican laborers. This is of benefit to the domestic laborer because he gets that \$1.25 in cash, whereas the Mexican gets \$1.15, and the other 10 cents goes for administration. So actually we are benefiting these American domestic workers who want to work in the fields, because they are getting 10 cents an hour more than the braceros are. Far from depressing farm labor costs, the braceros program is boosting the wage scale of all farm workers. I say we should defeat this amendment. I say this as one who has gone down the line to back you up. I am asking you for your support now.

In conclusion, let me say that this dilemma we face is neatly summed up in a short colloquy between myself and Monsignor Higgins, one of the members of the Secretary of Labor's advisory committee:

Mr. CLEM MILLER. I represent a district which is almost totally composed of what you would call family farms. All of my farmers tremble on the edge of bankruptcy.

My question is, "How do you solve the farm-labor problem unless you have solved the problem of a fair price for the farmers' products?"

Monsignor HIGGINS. Well, that is the problem that I presume is going to get on the

front pages every other day between now and the election. I do not know. I would not claim to know.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, if this amendment is adopted you have killed the Mexican farm labor bill. Make no mistake about that. These amendments are not new. They represent mainly powers which the Department of Labor already has asserted as far as control of this program is concerned. Here is the gimmick in this amendment, and you read clear over to page 4, line 13, before you get it: "Issue such rules and regulations as may be necessary to carry out the provisions of this title."

That is a little strange, because this program has been regulated to death if any program has. Why do you think the Department of Labor wants us to agree it has a right to make rules and regulations? I think I know. I think they know as well as most lawyers know that they do not now have the rights they have asserted because they were not granted by Congress. Now they are trying by subterfuge in this amendment to cause the House of Representatives to say they have and by implication have always had the rights they have asserted, and more. To me this is dishonest. This is a situation in which we are asked to ratify the greatest usurpation of power by a department of the Government that I have ever seen. Some persons in this Department have done everything they possibly can do to kill this program by indirection, and they will continue to try to kill this program. If you take this amendment you will give them a green light to proceed to administer the coup de grace. Let us vote down this amendment, and show this department that this body is for the farmer, the workingman, and our good neighbor, the Republic of Mexico. Let us show those people who assert power they never had that we know how to reclaim and recover usurped power.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

The Chair recognizes the gentleman from Virginia [Mr. ABBITT].

Mr. ABBITT. Mr. Chairman, I am opposed to the pending amendment. I would like to take this opportunity to commend the chairman of the subcommittee who held long hearings and went thoroughly into this bill. I strongly favor the bill sponsored by the gentleman from Arkansas [Mr. GATHINGS]. I favor the pending bill. I am strongly opposed to the amendment because I think the Secretary of Labor has already usurped authority that it never had. This will turn over to the Secretary of Labor far more power.

The Congress of the United States has often seen an attempted seizure of its constitutional legislative powers by executive departments. Unfortunately, in the past few years this tendency on the part of the executive branch has been carried to greater and greater extremes.

Executive departments, in their eagerness to pay political debts, or in their fear

of facing the legislative process in the Congress, have become more and more contemptuous of the constitutional limitation on their authority and increasingly rely on administrative rules and regulations having the force of law, and based on the flimsiest premises of legal authority to work their will in defiance of the Congress.

In my many years as a Member of the House I cannot recall a grosser example of the preemption of the legislative function by an executive department than is done by the Secretary of Labor's regulations promulgated November 20, 1959 in the field of migratory labor.

The Secretary of Labor in this instance, claims authority to regulate in the field of wages, hours, housing, and transportation of migratory workers under the Wagner-Peyser Act, passed in 1933, and which, up until the Secretary's action in 1959, performed its function of providing a grant-in-aid program for the maintenance of State employment services and for the Federal agency to coordinate the program.

After all these years, including too many in which the present Secretary of Labor has held his office, the Wagner-Peyser Act has functioned as it was the intention of the Congress that it do.

The Secretary, in March of 1959, suddenly decided that this 1933 statute authorized him to enter into detailed and extensive regulation of farm wages, housing and transportation. I challenge anyone to study the language of this statute and to read the legislative history thereof and to find therein any shadow of intent by the Congress of conferring such powers on any executive department. The Chief of the American Law Division, Library of Congress, has summed up the situation most clearly, and I quote:

On this point, we have scanned the reports and debates on the Wagner-Peyser Act of June 6, 1933 (48 Stat. 113; S. 510, 73d Cong.), and do not find any indication that the Members sponsoring or debating the measure had in mind that the Employment Service was to exercise any substantive control over the working conditions and terms of employment of workers recruited by the Service.

The Secretary of Labor based the validity of his action solely on an opinion of the Attorney General, whose legal logic was found to be extremely unsound by the Committee on Agriculture in its favorable report on H.R. 12176. Thus, one Cabinet member authorizes a new encroachment by his fellow Cabinet member and presents the Congress with an accomplished fact and with a further erosion of our constitutional position. We can properly establish a value on the Attorney General's opinion in this case by asking the honorable Members of this House of any instances that they recall in which one branch of the executive department denied additional power to another branch of the executive. We thus have an absurd situation in which one executive department seeks legal authority for its actions from another executive department, and the Congress too often acquiesces in this pirating of its legislative responsibilities.

The unfortunate consequences of the entry of the Department of Labor into agricultural matters are already beginning to make themselves felt. There are reports of instances of favoritism in the recruiting of migratory labor by the Employment Service. Individuals in the Department of Labor, with little knowledge of agricultural problems, and less sympathy for those problems, are complicating the agricultural labor situation with unrealistic regulations. The Department of Labor sets itself up as a housing authority, as an arbitrator of wages and transportation practices, and demonstrates its complete disregard for a free enterprise economy. Why would not the Department of Labor bring to the Congress specific proposals for a mandate to proceed as it has done? Surely, this body has proven itself to be sympathetic to any legitimate demand in the field of labor relations.

Legislation by executive decree is a foreign doctrine to America. Only the Congress of the United States has the necessary sources of information and the diverse viewpoints which can produce legislation reconciling the interests of all the people in a new law.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in support of this amendment not only because of the moral questions involved, but also because my experience might be entirely different from that of my distinguished friend from California [Mr. CLEM MILLER]. The experience in my congressional district which is composed of garden and truck farms to a very large extent is that because of the importation of Mexican labor the New Jersey farmer whose farm, for instance, is not 15 miles from the Campbell Soup Co., the largest consumer of tomatoes in our area, cannot compete, believe it or not, with farms in the Southern States using this labor which harvest the crop, and which drives it up to the plant in New Jersey delivered there at a price less than that obtained by the New Jersey farmer.

I realize this problem has a broader scope than my district; I realize it is a national problem, and I do not mean to sound unnecessarily parochial about it. If for no other reason I would be in favor of the amendment on the moral issue, the depression of the farm and agricultural wages and standard of living in my area and in many other areas because of the peculiar benefits enjoyed by those who reside near the source of this cheap labor is an overwhelmingly persuasive reason for my supporting the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. QUIGLEY].

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. QUIGLEY. I yield to the gentleman from Oregon.

Mrs. GREEN of Oregon. In the House Committee on Education and Labor for many weeks and months we have been considering minimum wage. Not long ago the gentleman from California [Mr.

ROOSEVELT] and the gentleman from California [Mr. HOLT] made quite a tour of the California area. The gentleman from California [Mr. ROOSEVELT] tells me that farmer after farmer pleaded with them not to bring farm laborers under the minimum wage law. These farmers in California and Arizona said they would go broke—they could not stand it—it would ruin them if they had to pay them the \$1 an hour.

I find it very hard to equate that with statements being made this afternoon that farmers in California are paying \$1.25 an hour for farm laborers. In addition it seems to me that inherent in this system is exploitation of the Mexican nationals. In the situation I referred to a few moments ago the Mexican nationals coming in were not being paid even as much money as the domestic workers were when they were working alongside of them. For instance, in the pear orchards, which was piecemeal work, the Mexican nationals said time after time they were given those places where the fruit was sparse, or where it was hard to get at, with the result that they made considerably less at the end of the day. So there are many inequities in the operation of this law. I would do away with it, but if I cannot do that I will support the McGovern-Fogarty amendment. I think it is an improvement upon present law.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, if we want a domestic sugar-beet industry, which we must have, and we will find out tomorrow how desperately we need it, we must pass this bill without the amendment. I have hundreds of letters against the spirit and the content of the amendment.

I cited an experiment whereby we kept Mexican nationals out of Utah for a week or two, and it threatened the whole industry. That was at a time when there was widespread unemployment in our State.

Our people will not do the stoop labor required in thinning sugar beets.

I yield to the gentleman from California.

Mr. CLEM MILLER. In answer to the gentlewoman from Oregon, who said a few minutes ago that the farmers of California were not willing to be covered by the minimum-wage law, it is not a question that they are not paying in excess, it merely means that they do not want the redtape, regulation, and so on that goes on in connection with this particular labor as distinguished from any other.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from California.

Mr. GUBSER. Nor can the farmer who harvests on a seasonal basis stand the time and a half provision of the minimum-wage law.

The CHAIRMAN. The Chair recognizes the gentleman from Vermont [Mr. MEYER].

Mr. MEYER. Mr. Chairman, if we are going to have economic balance in

America we have to raise the general overall wage rates on American farms. This is in the interest of the farmer himself, and in the interest of a healthy agriculture. If it means higher prices for farm commodities that is the very thing we need because farmers and agriculture are competing with high wage rates in the steel industry. They are competing more or less with administered prices, and I feel very strongly that in the long run if we have higher wage rates on the farm it is in the interest of the family farmer and American agriculture. Basically the prime net income of a family farm is labor income and should improve relatively when farm wages approach factory wages. It is unfair to expect to have cheap food unless the farmer receives labor income at an hourly rate that is in balance with the hourly rates of other workers.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MOSS].

Mr. MOSS. Mr. Chairman, I had not planned to speak on this particular legislation. However, I have listened to the most confusing statements that I have heard in a long time on a comparatively simple matter.

An example of the confusion is the charge by one Member that domestic labor gets more than the imported Mexican labor, on the other hand. The gentlewoman from Oregon stated that the imported labor gets less than the domestics. The fact is that the imported labor gets the going rate, and we do not import them unless there is a scarcity or unavailability of domestic labor. Remember, we are not talking about cheap labor. Imported labor is not cheap. It costs just as much if not more than the domestic labor, if it were available. But it is not available. It is not available for the small farmer in my district, and my district is a district characterized by family-size farms with tremendous diversity as to crops.

We cannot get labor except occasionally on a Monday morning, if the farmer wants to go to the employment service office and pick up a few men who have spent the weekend in the drunk ward of the jail. They can get a few to work for an hour or two, and then they take off.

It is not fair to expect us to harvest our crops with labor of that type. Any person from any part of this country who seeks employment at agricultural labor will find it readily available in my district. But that labor is not available.

This bill would impose a blanket of frustrating bureaucracy on the farmer and, I might add, a tremendous cost on the Department of Labor.

I cannot understand the purpose of the McGovern or Fogarty amendments, or what they mean. I do not know whether the criteria called for is to be developed prior to the certification of the scarcity of labor, or whether the Secretary is to study the import experience, and then determine that he should certify as to the need.

It is a confused and confusing piece of legislation, and it certainly would not raise one iota the level of the domestic agricultural worker, nor improve his lot.

I urge defeat of the amendments and passage of the simple extension of the present program.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I ask unanimous consent to transfer the time allotted to me to the distinguished gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, may I first of all thank the gentleman from West Virginia.

Mr. Chairman, I am not taking the floor today to shout at you, to scream at you, to engage in emotional pyrotechnics nor to entertain you with the story of the shooting some years ago when this bill was on the floor. If I had not gotten under the table as fast as my friend, the gentleman from Florida [Mr. MARTHEWS], I might not even be here today. Although I got under in less than 1 second, it took me 5 minutes to get out. There was a bullet hole right in the center of the back of the chair in which I had been sitting.

Now, let us clear up the issues. I agree with my good friend, the gentleman from California [Mr. MOSS] with whom I seldom disagree, but there has been great confusion presented by both sides. First of all, why was the Fogarty amendment offered or the McGovern amendment offered? Because in the Committee on Agriculture there was an attempt to challenge what the Secretary of Labor asserts is a right he has under the law at the present time to enforce the provisions of the Wagner-Peyser Act in this bracero law. The Gathings proposal was introduced in the original bill which was reported out of the committee, which repealed or challenged any authority of the Secretary of Labor. As a result of this challenge the conflict between the thinking of those on the Committee on Agriculture, who in a great manner represent the thinking of agriculture in this country, and properly so, and the position of the Secretary of Labor was resolved. Therefore, the Fogarty amendment was introduced to clear up once and for all and determine the right of the Secretary of Labor to apply the provisions of Wagner-Peyser to the importation and use of Mexican braceros. That is the answer to Mr. RHODES' comment.

Mr. Chairman, it is possible that the leadership on the other side of the aisle cannot make up its mind on this adjournment or recess resolution, but that is not the subject at the moment.

Now, certainly the Fogarty proposal gives the Secretary the authority to impose regulations on the importation and the use of Mexican labor. Nor has the Secretary of Labor been the initial source of the requirement for housing and other provisions in the present law or the regulations stemming from the law. These were put in at the request

of the Mexican Government seeking to protect its nationals whom they charged were being exploited in this country.

The Fogarty amendment should be adopted. It does not repeal the law, nor does it make it ineffective. To the contrary, it will be a great step toward insuring a permanent program on a decent and equitable basis.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, I am very much opposed to the pending amendment, and I am very much in favor of the measure that has come from the committee under the leadership of the gentleman from Arkansas [Mr. GATHINGS].

To me the pending amendment is too far-reaching and contains the tools of a regulation of free labor that could be dangerous in the hands of an arbitrary Secretary of Labor should he choose to employ them at some future date.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, I ask unanimous consent that the time allotted me be yielded to the gentleman from Texas [Mr. POAGE].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, the gentleman who just preceded me pointed out that there has been a lot of confusion about this measure. And, indeed there has. Unfortunately, some of the finest men in this House have sought to legislate on something on which they have no background information. The gentleman from Rhode Island, with his farm experience in Rhode Island, has still never had any experience using braceros. The gentleman from New York, who has rendered such a splendid contribution to our Committee on Appropriations and has proven his sincere interest in agriculture, on so many occasions has no conception of the relationship of these crops or surely he would have never sought to deny the use of bracero labor to cotton growers. Cotton is not in nearly the surplus in which some other crops are. Surely, no fair man, and the gentleman from New York is always fair, would want to single out one legal and needed crop and discriminate against it just because it is grown only in the southern half of our country. I feel sure that the gentleman does not seriously want to deny cotton growers the use of labor which would be legally available to the growers of any other crop which might be in surplus. I feel sure that the gentleman only offered this amendment to call attention to our surpluses and not with any idea that it would or should be adopted. What I have said is offered in no spirit of criticism, but the first amendment requires that any man who is going to use these braceros not only make reasonable efforts to attract domestic workers for such employment, but that his efforts

should include independent and direct recruitment by the employer who is requesting foreign workers and under terms and conditions of employment comparable to those offered to foreign workers.

That means, of course, if there is one individual in a community, or one large corporation, who can spend thousands of dollars to go out and recruit, go to Chicago or Memphis or some other distant point and haul people across the United States, that then every little farmer would have to do the same thing before he can use a Mexican. I tell you those little farmers cannot do it. This is a big farmers amendment regardless of what I know to be the author's good faith effort to assist small farmers.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has expired.

The Chair recognizes the gentleman from South Dakota [Mr. McGOVERN].

Mr. McGOVERN. Mr. Chairman, I want to use the brief time that has been allotted to me to make it perfectly clear that the Secretary of Labor is in substantial agreement with the terms of Mr. FOGARTY's amendment and is opposed to extending the legislation unless changes along the line we are recommending in this amendment are accepted. In a letter which he addressed to me on June 24, he has this to say:

My previously expressed opinions in this matter have not changed. There is ample evidence before the Department, including the conclusions and recommendations of independent consultants who have studied this problem for me, that the Mexican program legislation needs substantial improvement in order to avoid adverse effects upon our own farmworkers. My view remains that the existing law should not be extended until such improvements can be incorporated in it.

That is signed by the Secretary of Labor.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. McGOVERN] has expired.

The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I want to advise the Committee that in the amendment offered by the gentleman from New York there is something that almost escaped notice. As a matter of fact, under this program, the Secretary of Agriculture makes the decision on what crops these workers from Mexico are to be used. The gentleman comes in here now and says that you can use them on food crops but you cannot use these Mexicans in the cultivation and harvest of the cotton crop.

I want to say to this Committee that that is highly unfair, because he is trying to chop the law half in two that has worked so well in this country.

He wants to deny the cotton farmers of the Nation the right to use these laborers on these farms. Now, there was a question asked before the committee of Mr. Young of the National Cotton Council about the offtake and the production of cotton. Here is the question and here is his reply:

Do you have any figures on the production and disappearance?

Mr. YOUNG. The 1959 crop, Mr. GATHINGS, was approximately 14,750,000 bales.

Mr. GATHINGS. What is the anticipated offtake?

Mr. YOUNG. The anticipated offtake is almost 16 million bales, or about 1¼ million bales more than was produced in 1959.

The gentleman wants to cut off all braceros from use on the cotton farms in America.

Mr. Chairman, I hope his amendment will be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, I have no personal interest in this legislation whatsoever. It does not affect the State of Iowa. I think we had some 75 Mexican laborers in the entire State of Iowa last year.

The question before us is simply this: Do you want the fruit and vegetable growers in this country who need this type of labor to harvest their crops, or do you want to put them out of business? There are a lot of farmers who are absolutely dependent upon this kind of stoop labor. It has been fully disclosed throughout the hearings that this type of labor will not be engaged in by American labor. The bill before us will not displace American labor. The law provides that the Department of Labor must certify that American labor is not available before Mexican labor can even be made available. So the question naturally arises whether you want an extension of this program or whether you want wetbacks coming into the country in large numbers. It is just that simple.

It is not an easy matter to work out migrant labor agreements with the Republic of Mexico. It takes a lot of negotiation. We have very friendly relations with Mexico today. You can imagine what might happen if we would suddenly curtail the migrant labor program. I fear it would result in thousands of wetbacks coming into this country. This would be detrimental not only to the agricultural economy of this country but would be rather detrimental to our friendly relations with Mexico.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Arkansas.

Mr. GATHINGS. I commend the gentleman on a very fine statement, and for his efforts in behalf of this meritorious legislation. It has been said in this debate that only 2 percent of the farmers of America use this labor. That may be true, but in the Midwest area they grow quite a lot of small grains, wheat, corn, and the like, and it is not necessary to use this labor in growing and harvesting grain.

Mr. HOEVEN. That is true.

Mr. GATHINGS. Only 2 percent of the farmers use this labor because of the fact that it is in those few areas in America where stoop labor is necessary that they are needed.

Mr. HOEVEN. The gentleman is exactly right. I am not concerned as to whether it is 1 percent, 2 percent, or 10 percent. The fact is that when the small farmers of America under our free-enterprise system want to harvest their

crops they should have the necessary labor available to do so. When American labor cannot be provided to do the job, our farmers should be provided with other labor to harvest their crops. If you prefer an extension of the present program to a wetback program, then, you should vote against the amendment that has been offered by the gentleman from Rhode Island. If we are going to have a wetback program in this country with all the implications involved we should do so with our eyes open. We are keeping up our good relations with the Republic of Mexico, and we do not want to disturb them at this time when we are already having some difficulties with Castro and Cuba.

No hearings have been held on the McGovern-Fogarty amendment. There is a jurisdictional fight between the Secretary of Labor and the Secretary of Agriculture, which should be fully reviewed by the Committee on Agriculture next year. The sensible thing to do is to extend the act for 2 years, as proposed in the committee bill, and then give the Committee on Agriculture an opportunity to fully explore the entire situation.

Mr. MCGOVERN. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from South Dakota.

Mr. MCGOVERN. May I remind the distinguished gentleman that hearings were held on this legislation and testimony was taken by the committee, and everyone who wished to be heard was given an opportunity to be heard.

Mr. HOEVEN. There may have been general hearings on the overall problem but no specific hearings were held on the gentleman's amendment, as I recall.

Mr. COOLEY. The amendment was considered, but not a single farm organization came out for the amendment.

Mr. HOEVEN. No hearings were had on the McGovern amendment.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from South Carolina [Mr. COOLEY], the chairman of the committee, to close debate.

Mr. COOLEY. Mr. Chairman, I wish to reiterate the statement I made just a moment ago to the effect that according to my recollection no farm leader in America endorsed this pending amendment. I do not recall that anybody in the Department of Agriculture endorsed the pending amendment. The bill before you has the endorsement of all farm organizations. It has the endorsement of the Department of Agriculture. The Secretary of Labor is authorized to recruit workers.

No workers recruited under this title shall be available for employment in any area unless the Secretary of Labor has determined and certified that, first, sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed; second, the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly

employed; and third, reasonable efforts have been made to attract domestic workers for such employment at wages and standard hours of work comparable to those offered to foreign workers.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

All time has expired.

The question is on the amendment offered by Mr. SANTANGELO to the amendment offered by Mr. FOGARTY.

The question was taken; and on a division (demanded by Mr. SANTANGELO) there were—ayes 33, noes 122.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The question was taken; and on a division (demanded by Mr. BAILEY) there were—ayes 51, noes 138.

So the amendment was rejected.

Mr. GUBSER. Mr. Chairman, I move to strike out the last word.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending bill and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. SHELLEY. Mr. Chairman, I object.

Mr. COOLEY. Mr. Chairman, I amend my request and ask that all debate on the bill and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. GUBSER] is recognized for 5 minutes.

Mr. GUBSER. Mr. Chairman, as has been stated repeatedly on the floor this afternoon, a great deal of misinformation has been circulated with respect to the operation of this program. It has been repeated in good faith by many Members.

I wonder how any one of us would feel if we had our life's savings and all we could borrow from the banks invested in an apricot orchard in Willows, Calif., at this very moment and we could go out of our front door and see that crop, on the ground—our savings, and our work wasted. This is the situation this moment in Willows, Calif. Fifty percent of the crop is on the ground in Brentwood, Calif.; 25 percent at Los Baños and Tracy, and other places. It is due to but one thing, shortage of labor.

One farmer lost \$225,000 worth of cherries just a month ago in California.

Last year 10,000 tons of cling peaches rotted on the ground because the farmers could not get labor to pick them. This is wasted food. This raises your cost of living.

A great many people do not understand the need for this type of labor.

It has been repeatedly stated that domestic labor is available. The fact of the matter is that domestic labor does not want employment at any price because of the physical conditions involved in doing the work.

Week after week I have been placing an article in the CONGRESSIONAL RECORD from my hometown newspaper, the Gilroy Evening Dispatch. It is a weekly report from the farm labor office. Always the first paragraph of that article says in effect: "We desperately need cherrypickers and berrypickers. Come down and register."

But, Mr. Chairman, the next paragraph of that same article says there are 500 to 600 continuing claims for unemployment insurance. Some of these claims are from housewives, I admit. I talked to one Member of Congress yesterday and he said, "We tried to get students to pick our strawberries. They would not do it. But my wife went out and picked them because she got two baskets for every four she picked, and she filled the freezer with them."

Mr. Chairman, if picking strawberries is not beneath the wife of a Member of Congress, it is not beneath young men to go out and do the same thing. A great many of us did it when we were getting started. We learned to work, we learned to earn our salt. And it did not hurt any of us. Not today. Very few want to work at menial and stoop tasks any more, and I will not blame the American people. But because the American people have changed in their desires, does that mean that the farmer at Brentwood, Tracy, and other places should have his years' savings go on the ground and result in utter waste because he cannot get the labor?

It is stated that only 2 percent of the farmers are helped. But let us not forget that two-thirds of the Nation's acreage is in feed grains. A lot of it is in livestock. When you speak of this 2 percent you are speaking of only 2 percent of 10 percent of the farmers, who might use this labor. This places the statement in an entirely different light. It means that 20 percent of those who have the need for such labor actually use them. The figure of 2 percent is nothing more than distorted propaganda which has been innocently repeated this afternoon.

If my neighbor across the road is a corporation farmer and I am a small farmer it is to my advantage that he gets braceros. When his needs are satisfied with braceros I have the opportunity of hiring locals. Without the Public Law 78 program my rich competitor could attract locals with better offers which I could not match and I, the small farmer would suffer most.

Mr. Chairman, the argument that this program only helps the large farmer is just not true.

It is interesting to note that the Monitor, the official newspaper of the Catholic Archdiocese of San Francisco, has started a series of five articles giving the growers' side of the bracero story. I have already placed the first article in

the RECORD and submit herewith the second article which was published June 24:

**THE BRACERO STORY: "I PREFER LOCAL LABOR, BUT—"**

(By James Kelly)

This is the second of five articles on "The Bracero Story," dealing with the dispute over hiring of Mexican nationals to harvest California's crops.

Telling the growers' side are Stephen A. D'Arrigo of San Jose, Paul A. Mariani of Cupertino, and Gerald B. Hansen, San Jose, attorney for the Progressive Growers Association. Black dots indicate their chief claims, continued from last week.

Braceros do not depress the farm wage scale. They are hired at the prevailing rate—right now, \$1 an hour for pickers in the Santa Clara Valley. The growers do not set this rate. The State farm placement service tells them what to pay.

"Labor accounts for the bulk of a grower's costs in producing some crops, up to 85 percent in strawberries," D'Arrigo said. "He can pay just so much without losing money. In fact, Salinas has been forced out of carrot production because growers there could not compete with the lower labor costs in Texas.

"I would prefer to hire domestic labor if I could, even at \$1.25 an hour, because it costs me \$32.50 to bring a bracero up from the border reception station and return him. But the local labor market cannot supply me with the workers I need, when I need them."

Labor costs knocked strawberry acreage from 22,000 down to 12,000 this year, Mariani said. D'Arrigo noted he has only 500, instead of 1,500, acres in pole beans for the same reason.

Housing, food, and sanitation at bracero camps in California are above reproach.

"There are bound to be some abuses, some violations of the rules, certainly," attorney Hansen declared. "But these are few and far between. Archbishop Lucey's accusations on this score may be true in Texas, but they don't apply here. For one thing, the international agreement with Mexico spells out in detail exactly the kind of conditions a grower has to maintain.

"Discovery of an abuse means the grower loses his braceros. With the labor shortage, he simply can't afford to risk it."

(The Monitor visited a camp at D'Arrigo's Santa Teresa ranch south of San Jose. Barracks-type quarters appeared neat and clean with steel cots and linoleum floors. Outdoor privies were provided with running water. Surrounding grounds were graveled and well drained. There were indoor showers and a lean-to washroom, all clean. The noon meal of chorizo and frijoles—braceros are fed Mexican-style food according to a daily menu outlined in the Progressive Growers Association handbook—was being prepared in a spotless kitchen for serving in an equally clean mess hall.

The "corporation" farms' use of braceros is not ruining the small family farmer.

"It's not braceros, but the increase in cost of production, that's hurting the small farmer," D'Arrigo pointed out.

"Eighty thousand acres have been taken out of production in Santa Clara county in the past 10 years. No new farmers have gone into agriculture. Actually, the only thing keeping California farmers' heads above water is not returns on their crops, but capital gains—that is, sale of their property.

"There are people right in this county, old-timers especially, making a bare living, if that, from their crops. But they could sell the land they're sitting on for millions of dollars, and eventually they will, as urbanization continues."

This is the bracero story as seen by growers. Does it paint a picture of a "ghastly

racket," an insult to the American conscience?

Mariani, D'Arrigo, and Hansen agreed that more light is needed on the big and basic social problem that has generated the whole bracero issue.

That problem: Can American consumers be educated to pay substantially higher prices for farm products? If not, who will bear the cost of the kind of wages required to keep American farm workers "down on the farm"?

Mr. Chairman, if we are to argue morals let us think for a moment of the program's benefits to underprivileged citizens of Mexico. This is second only to tourism as a source of outside income to Mexico. It has allowed hundreds of Mexican families living at starvation levels to assume the dignity of owning land, being in business for themselves, and improving their standard of living. Our Government has adopted the policy, through the mutual security program of helping underprivileged people. This is a way of doing this and at the same time saving crops which will go to waste.

Braceros do not replace domestic labor. You cannot employ them while one domestic wants a job and does not have it. It is well regulated and clean living and working conditions are assured. It is necessary and worthy of your support.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. GREEN of Oregon. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. SANTANGELO. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHELLEY: On page 1, line 4, after "June 30" strike out "1963" and insert "1962."

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. SHELLEY. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I would like to say to the gentleman from California that I agree with his amendment. I had a similar amendment to offer. I should like to join with the gentleman in his amendment, and I ask unanimous consent that my time be given to the gentleman from California [Mr. SHELLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. SHELLEY. Mr. Chairman, in the first place, the argument has been made that those who proposed the preceding amendment, and I am not surprised it was defeated, were opposed to this program. Nobody has offered here today anything to end the program. Nobody has made one suggestion about terminating it. I will say to those who support this legislation that there are farm areas in this country and crops which, if the crops are to be harvested, need outside labor, and that there is a drastic shortage of it. There have been incidents of crop loss over the years. This bill would extend the present law 2 years past July 1, 1961. The existing act does not terminate in the next month; it terminates a year from now.

My amendment would give a new administration the opportunity to study it for a year and come in with a program that would end the confusion, the consternation and the conflict that exist and have existed throughout the period this law has been in existence. It would extend the law to July 1, 1962.

Do not extend this law to 1963. Let us clear up this confusion, let us make a contribution to the needs, the requirements and the demands on both sides, and let us be fair.

I say this is a fair approach. It would give a new administration with a new view, a new look, a chance to study it and come in and make recommendations to the Congress.

Mr. Chairman, I ask that this amendment be adopted, which simply cuts down the expiration date or extension from June 30, 1963, to June 30, 1962.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I yield to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Sure you may get a new administration, but you will have gotten the same old growers of fruit and farm produce.

You have been yipping and yelling about second-class citizens. What we are trying to do here is to make everybody who owns an acre of land a second-class citizen with organized labor giving the orders where they do not represent employees. That is what it is.

I cannot understand why the representatives of organized labor are so concerned when none of their members are employees in this business. Why are you yelling about the Mexicans when they are satisfied and the farmer-employer is satisfied? Why should, and where does, organized labor come in?

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. Did you see what Michael J. Quill, head of the Transport Workers Union, said today?

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. No; I cannot yield.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, the bill must be extended for 2 years. Without legislation to extend this particular bill, it will be almost impossible for the farmers to get financing; it will be almost impossible for the farmer to plant his crop. The farmer has to know this day and time, the situation concerned, under which he will grow his crop. Without at least 2 years to determine what he will be doing when the crop is planted, when the crop is to be harvested, all of the imponderables which a farmer must face, anyway, it would be almost impossible for him to plan and conduct his business in the way you and I would want to conduct ours.

So, I ask that the amendment offered by the gentleman from California be voted down and that the bill be passed as it was reported from the great Committee on Agriculture.

Mr. ABBITT. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina [Mr. COOLEY] and I may yield our time to the gentleman from Arkansas [Mr. GATHINGS].

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I just want to say that the farmer pays the major part of the cost of the operation of this program; that is, bringing up the labor from away down 150 to 200 miles inside Mexico up to the reception center and for processing that bracero at the border and for transporting him to the farm and giving him an insurance policy, subsistence, hot lunch en route, and then returning that worker right back to the border again. It costs \$42.60, as the record reveals, to bring a man up and to get him back, that is, to the State or Arkansas, a distance of about 1,000 miles from the Mexican border.

Now, that \$42.60 would not be paid by that farmer if he could get that labor from any other source; he would not do it, because it is not recoverable. Not one nickel of that money is reimbursed. \$42.60 is the amount paid to obtain this labor to chop or to harvest his crop.

Now, the gentleman would want to have only a 1-year extension of this act. It has always been a 2-year act from the very beginning. In 1951 we passed a 2-year act. We came along again in 1953 and extended it for 2 years. We have always extended it more than 1 year all along the line. The farmer knows what to expect. It would be a hardship to have a 1-year extension, which would require the farmers to come back to Washington again, at heavy expense, to ask for an extension of this act after such a short time.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would just like to point out that when we have hearings on this Mexican labor bill people come from all over the United States at their own expense.

Mr. GATHINGS. They do.

Mr. COOLEY. And they stay here in hotels day after day to present their views to our committee, and once every 2 years is often enough to subject them to that kind of treatment.

Mr. GATHINGS. Absolutely. I agree with the chairman of the committee. It is very expensive for these farmers to come here to get this extension approved by the Congress. I trust that the amendment will be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, to summarize before this vote is taken, I must make very clear and explicit what a vote for H.R. 12759 really represents.

First of all, a vote for this bill would represent a vote for continuation of 30 to 50 cents per hour wage rates for our own farmworkers—as in Arkansas today. U.S. farmworkers' rates do not go above that level there as long as sufficient Mexicans are available at 50 cents.

It would be a vote for continuation of acute underemployment of U.S. farmworkers—which holds their average earnings to under \$1,000 per year—under \$600 per year for nonwhites.

In other words, this would be a vote for impoverishment of our own farmworkers; ignoring the clear need to improve the protection of our workers against foreign worker competition, it would be a vote, instead, for weakening the existing protections for U.S. farmworkers.

A vote for this bill would also be a vote for growing dependence upon foreigners for growing our foodstuffs. Already more than 80 percent of our lettuce harvest is in the hands of Mexican nationals.

It would be a vote to extend a special advantage to the 51,000 farmers—less than 2 percent of the total—who employ Mexicans.

It would be a vote for reduced incomes for the family farms whose markets are being steadily undermined by the output of cheap foreign labor.

It would even represent a vote to increase the burden on the Federal Treasury—for continuing subsidies to the growers of surplus cotton raised with foreign labor.

And this is something I did not know until it was brought out today. It would represent a vote to increase the burden on the Federal Treasury, on the taxpayers, for continuing subsidies to the growers of surplus cotton raised with foreign labor. In other words, 60 percent of those 450,000 Mexicans are going to be used to pick cotton that is already in surplus and which is costing the taxpayers millions upon millions of dollars. Storage costs alone will be about \$12 million for this past year.

I must make clear to the House, also that a vote for this bill is a vote to reject the unanimous judgment of

the Nation's moral leadership—the churches—who advise unequivocally that the present bracero program is unacceptably immoral. Such a vote is a demonstration to the undeveloped, uncommitted nations of the world of how little our moral preachments mean when the selfish interest of our large landowners are involved.

Such a vote is a vote also for ignoring the objections and concern of the Mexican labor movement and of the church in Mexico—an attitude on our part which would only worsen our already sensitive relations with the peoples of other Latin American countries.

Those who wish to vote for permitting increasing use of Mexican contract workers in skilled farm jobs and as year round workers should vote for this bill.

Those who wish to vote for use of permanent immigrants or citizens, on the grounds that the former can be held on the job; that he is not free to accept other more attractive employment—a reason that is openly admitted—those should also vote for Mr. GATHINGS' bill.

And those who wish to continue to refuse U.S. farmworkers the same elementary protections and guarantees provided Mexican workers should also vote for this bill. For under that bill, the Department of Labor is not authorized or permitted to assure equivalent benefits for U.S. workers.

A vote for this bill is a vote for acquiescing in an Agriculture Committee effort to interpret a 27-year-old statute for which the Agriculture Committee never has had any responsibility—and about which it has had, apparently, little knowledge.

Such a vote, also, would be a vote in favor of Farm Bureau Federation dictation of U.S. labor policy—dictation in the clear interest of a few large farmers and against the clear interest of most of the Farm Bureau's own membership.

Finally, I suggest emphatically to my colleagues on both sides of the aisle that a vote for this bill is a vote for exploitation of the many for the benefit of the few. Seldom has an issue been more clear cut.

Mr. WAINWRIGHT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Chairman, as the Representative of Long Island potato growers, and other farmers, I cannot support the position of the gentleman from Rhode Island [Mr. FOGARTY] to eliminate migrant farm labor on Long Island. None of our farmers, nor the Farm Bureau, has contacted me in regard to this bill. However, I am sure that if they realized that Long Island migrant labor would be done away with, that they would have been up in arms. My vote shall be cast for a continuation of the system which allows migrants to work on Long Island during the proper seasons. Failure to permit this will cause our farms to be destroyed.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. SHELLEY].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. EVINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes, pursuant to House Resolution 569, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. BECKER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BECKER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. BECKER moves to recommit the bill H.R. 12759 to the Committee on Agriculture.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on passage of the bill.

The question was taken; and the Speaker announced that in his opinion the "ayes" had it.

Mr. YATES. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

So the bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### LAND GRANT INSTITUTIONS

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 586, Rept. No. 2036), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10876) to amend section 22 (relating to the endowment and support of colleges of agriculture and the mechanic arts) of the Act

of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land grant institutions. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### NORTH ATLANTIC TREATY NATIONS

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 587, Rept. No. 2037), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (S. J. Res. 170) to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of United States delegates to such convention, and for other purposes. After general debate, which shall be confined to the resolution, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

#### EXTENSION OF SUGAR ACT OF 1948 AS AMENDED

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 588, Rept. No. 2038), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12311) to extend for one year the Sugar Act of 1948, as amended, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Agriculture, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered

by direction of the Committee on Agriculture may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

#### FEDERAL EMPLOYEES' COMPENSATION ACT AMENDMENTS OF 1960

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 572 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12383) to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendment thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN] 30 minutes, and yield myself 1 minute.

Mr. Speaker, this resolution makes in order with 1 hour of general debate the consideration of the bill H.R. 12383, reported unanimously by the Committee on Education and Labor, approved by the Bureau of the Budget, and approved by the Navy Department. There is no objection to it from any source that I know of.

This relates to a revamping of the Federal Employees' Compensation Act, which has not been revised for many years and has some things in it that need correction.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Virginia [Mr. SMITH], the chairman of the Committee on Rules, has explained this rule and the provisions of this bill very well. I know of no opposition to the rule on this side.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. WIER. Mr. Speaker, I ask unanimous consent, with the approval of the minority members of the subcommittee, the gentleman from New Jersey [Mr. FRELINGHUYSEN] and the gentleman from New York [Mr. GOODELL], that the

bill, H.R. 12383, to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes, be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employees' Compensation Act Amendments of 1960".*

#### TITLE I—SUBSTANTIVE AMENDMENTS

*Increase in minimum compensation for total disability, attendants, allowance, maintenance while undergoing vocational rehabilitation*

SEC. 101. Section 6 of the Federal Employees' Compensation Act is amended by striking out "\$75" in paragraph (1) of subsection (b) and inserting in lieu thereof "\$125"; by striking out "\$50" in paragraph (2) of subsection (b) and inserting in lieu thereof "\$100"; by striking out "\$112.50" in subsection (c) and inserting in lieu thereof "\$180".

#### *Increase in death benefits*

SEC. 102. Section 10(K) of the Federal Employees' Compensation Act is amended by striking out "\$150" and inserting in lieu thereof "\$240".

#### *Increase in burial payments*

SEC. 103. Section 11 of the Federal Employees' Compensation Act is amended by striking out "\$400" and inserting in lieu thereof "\$800".

*Increase of compensation base where injury occurred before January 1, 1958*

SEC. 104. Notwithstanding any other provision of this Act or the Federal Employees' Compensation Act, the monthly pay upon the basis of which compensation for disability or death is computed under the Federal Employees' Compensation Act shall be increased as follows: If such employee's injury (or injury causing death) occurred before January 1, 1958, but after December 31, 1950, such eligible employee's "monthly pay" shall be increased by 10 percent; if such employee's injury (or injury causing death) occurred before January 1, 1951, but after December 31, 1945, such eligible employee's "monthly pay" shall be increased by 20 percent; if such employee's injury (or injury causing death) occurred before January 1, 1946, such eligible employee's "monthly pay" shall be increased by 30 percent: *Provided*, That nothing in this or any other Act of Congress shall be construed to make the increase in the monthly pay provided by this section applicable to military personnel, or to any person or employee not within the definition of section 40(b) (1) or (2) of the Federal Employees' Compensation Act: *Provided further*, That this section shall not be construed to permit the amount of compensation on account of an employee's disability or death to be increased more than 10 percent if such injury (or injury causing death) occurred before January 1, 1958, but after December 31, 1950, nor more than 20 percent if such injury (or injury causing death) occurred before January 1, 1951, but after December 31, 1945, nor more than 30 percent if such injury (or injury causing death) occurred prior to January 1, 1946.

*Liberalization of minimum and maximum compensation for emergency relief workers*

SEC. 105. The second proviso of the first section of the Act approved February 15,

1934 (5 U.S.C. 796) is amended by striking out "\$100" in clause (a) and inserting in lieu thereof "\$150"; and by striking out "\$75" in clause (b) and inserting in lieu thereof "\$150".

#### TITLE II—TECHNICAL AMENDMENTS

##### *Clarification of scheduled awards*

SEC. 201. The first sentence of section 5(a) of the Federal Employees' Compensation Act is amended by inserting after "body," the following: "regardless of whether the cause of such disability originates in a part of the body other than such member,".

*Eligibility for or receipt of benefits earned under Civil Service Retirement Act not to preclude payment of compensation for scheduled losses, election by claimants eligible to receive veterans' benefits for same disability or death*

SEC. 202. Section 7(a) of the Federal Employees' Compensation Act is amended to read as follows:

"SEC. 7. (a) That as long as the employee is in receipt of compensation under this Act, or, if he has been paid a lump sum in commutation of installment payments, until the expiration of the period during which such installment payments would have continued, he shall not receive from the United States any salary, pay, or remuneration whatsoever except in return for services actually performed, and except pensions for service in the Army or Navy of the United States: *Provided*, That eligibility for or receipt of benefits under the Civil Service Retirement Act shall in no way impair the employee's right to receive compensation for scheduled disabilities specified in section 5(a) of this Act: *Provided further*, That whenever any person is entitled to receive any benefits under this Act by reason of his injury, or by reason of the death of an employee, as defined in section 40, and is also entitled to receive from the United States any payments or benefits (other than the proceeds of any insurance policy), by reason of such injury or death under any other Act of Congress, because of service by him (or in the case of death, by the deceased) as an employee, as so defined, or because of service by him (or in the case of death, by the deceased) in the Armed Forces of the United States, such person shall elect which benefits he shall receive. Such election shall be made within one year after the injury or death, or such further time as the Administrator may for good cause allow, and when made shall be irrevocable unless otherwise provided by law."

##### *Medical care to claimants receiving Civil Service annuity*

SEC. 203. The first sentence of section 9(a) of the Federal Employees' Compensation Act is amended by inserting after "arisen," the following: "and notwithstanding that the employee has accepted or is entitled to receive benefits under the Civil Service Retirement Act,".

##### *Considerations in computation of wage-earning capacity*

SEC. 204. Section 13(b) of the Federal Employees' Compensation Act is amended by striking out all that follows "his usual employment," and inserting in lieu of such matter stricken out the following: "his age, his qualifications for other employment, the availability of suitable employment, and any other factors or circumstances in the case which may affect his capacity to earn wages in his disabled condition."

##### *Notice of injury and claim for compensation in cases of latent disability*

SEC. 205. Section 20 of the Federal Employees' Compensation Act is amended by inserting immediately after the first sentence thereof the following: "In cases of latent disability due to radiation or other causes, the time for filing claim shall not begin to run until the employee has a compensable disability and is aware, or by the exercise of reasonable diligence should have been aware of the causal relationship of the compensable disability to his employment: *Provided*, That the time for giving notice of injury in such cases shall begin to run as soon as the employee is aware, or in the exercise of reasonable diligence should have been aware, that his condition is causally related to his employment, regardless of whether or not there is a compensable disability."

ity and is aware, or by the exercise of reasonable diligence should have been aware of the causal relationship of the compensable disability to his employment: *Provided*, That the time for giving notice of injury in such cases shall begin to run as soon as the employee is aware, or in the exercise of reasonable diligence should have been aware, that his condition is causally related to his employment, regardless of whether or not there is a compensable disability."

##### *Report of injuries*

SEC. 206. Section 24 of the Federal Employees' Compensation Act is amended by inserting "(a)" after "Sec. 24." and by adding at the end thereof the following:

"(b) Whoever, being an officer or employee of the United States charged with the responsibility for making the reports specified in subsection (a), willfully fails, neglects, or refuses to make any such report or knowingly files a false report, or induces, compels, or directs an injured employee to forego filing of any claim for compensation or other benefits provided under this Act or any extension or application thereof, or willfully retains any notice, report, claim, or paper which is required to be filed under this Act or any extension or application thereof, or regulations promulgated thereunder shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$500 or imprisoned not more than one year, or both."

##### *Government employees required to appear as parties or witnesses in the prosecution of third-party claims*

SEC. 207. The first paragraph of section 26 of the Federal Employees' Compensation Act is amended by adding at the end thereof the following: "Any employee who is required to appear as a party or witness in the prosecution of said action is, while so engaged, in an active duty status."

##### *Additional method for computing compensation in certain cases*

SEC. 208. Section 40(f) of the Federal Employees' Compensation Act is amended to read as follows:

"(f) The term 'monthly pay' shall be taken to refer to the monthly pay at the time of the injury, or the monthly pay at the time disability begins, or the monthly pay at the time compensable disability recurs, if such recurrence begins more than six months after the injured employee resumes regular full-time employment with the United States, whichever is greater, except when otherwise determined under section 6(d) with respect to any period."

##### *Reimbursement of compensation costs by Federal agencies*

SEC. 209. Section 35 of the Federal Employees' Compensation Act is amended to read as follows:

##### *"Employees' compensation fund"*

"SEC. 35. (a) There is established in the Treasury a separate fund to be known as the Employees' Compensation Fund which shall consist of such sums as Congress may from time to time appropriate therefor or transfer thereto and amounts otherwise accruing thereto under this or any other Act of Congress. Such fund including all additions that may be made to it shall be available without time limit for the payment of the compensation and other benefits and expenses (except administrative expenses) authorized by this Act or any extension or application thereof except as may be provided by this or other Acts. The Secretary of the Treasury shall submit annually to the Bureau of the Budget estimates of appropriations necessary for the maintenance of the Employees' Compensation Fund.

"(b) The Secretary of the Treasury shall, prior to August 15 of each year, furnish to each executive department and each agency or instrumentality of the United States or

other establishment, having employees who are or may be entitled to compensation benefits under this Act or any extension or application thereof (hereinafter called "agency"), a statement showing the total cost of benefits and other payments made from the Employees' Compensation Fund during the preceding fiscal year on account of the injury or death of employees or persons under the jurisdiction of such agency occurring after July 1, 1960. Each agency shall include in its annual budget estimates for the next fiscal year a request for an appropriation in an amount equal to such costs. Sums appropriated pursuant to such request shall, within thirty days after they become available, be deposited in the Treasury to the credit of the Employees' Compensation Fund. In the case of any corporation or other agency which is not dependent upon an annual appropriation, the deposit to the credit of the Employees' Compensation Fund required by this subsection shall be made by such agency from funds under its control. If any agency or part thereof or any of its functions is transferred to another agency, the cost of compensation benefits and other expenses paid from the Employees' Compensation Fund on account of the injury or death of employees of the transferred agency or function shall be included in costs of the receiving agency.

"(c) In addition to the contributions for the maintenance of the Employees' Compensation Fund required by this section, any mixed ownership corporation as defined in section 201 of the Government Corporation Control Act (31 U.S.C. 856), or any corporation or agency (or activity thereof) which is required by law to submit an annual budget pursuant to, or as provided by, the Government Corporation Control Act (31 U.S.C. 841-869), shall pay an additional amount for its fair share of the cost of administration of this Act as determined by the Secretary of Labor. With respect to said agencies, the charges billed by the Secretary of Labor pursuant to this section shall include an additional amount for such costs, which shall be paid into the Treasury as miscellaneous receipts from the sources authorized, and in the manner otherwise provided in this section."

#### Effective date

SEC. 210. (a) Except as otherwise provided by this section or in this Act, titles I and II of this Act shall take effect on the date of enactment of this Act and be applicable to any injury or death occurring after such date.

(b) The amendments made by sections 101, 102, 201, 203, 204, and 208 of this Act to sections 5(a), 6(b)(1), 6(b)(2), 6(c), 9(a), 10(k), 13(b), and 40(f) of the Federal Employees' Compensation Act shall be applicable to cases of injury or death occurring before the date of enactment of this Act only with respect to any period beginning on or after the first day of the first calendar month following the date of enactment of this Act.

(c) The amendments made by sections 104 and 105 of this Act shall be applicable to cases of injury or death occurring before enactment of this Act only with respect to any period beginning on or after the first day of the first calendar month following the date of enactment of this Act.

(d) The amendment made by section 202 of this Act to section 7(a) of the Federal Employees' Compensation Act permitting the payment of compensation for scheduled permanent disabilities in addition to benefits under the Civil Service Retirement Act shall be applicable to any injury which occurred within three years prior to the date of enactment of this Act as well as to any injury occurring on or after the date of enactment of this Act.

(e) The amendment made by section 202 of this Act to section 7(a) of the Federal Employees' Compensation Act requiring an election of benefits in any case in which a claimant for compensation is also eligible to receive certain payments or benefits from the United States for the same disability or death shall be applicable to any injury or death occurring before, on, or after the date of enactment of this Act but shall not deprive any person of any benefits awarded prior to the date of enactment of this Act.

Mr. WIER (interrupting the reading of the bill). Mr. Speaker, I ask unanimous consent to dispense with the further reading of the bill and that it be printed in the Record and be open to amendment at any point.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WIER. Mr. Speaker, I offer certain committee amendments.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments offered by Mr. WIER: On page 9, line 2, strike out the words "the Treasury" and insert "Labor."

On page 9, line 6, make same change.

On page 9, line 16, strike out "July 1, 1960" and insert the date "December 1, 1960."

On page 10, in line 24, change section 210 to read section 211 and add a new section 210 to read as follows:

"Sec. 210. Section 42 of the Federal Employees Compensation Act is amended by striking out the last sentence of the fourth paragraph thereof."

On page 11, line 4, strike out the word "and" and following the number "208" insert "and 210" and in line 5 strike out the word "and" and following the number "40(F)" insert "and 42".

Mr. WIER. Mr. Speaker, these are clarification amendments. The committee made a mistake in calling the Secretary of the Treasury instead of the Secretary of Labor. So we have stricken out "Treasury" and inserted "Labor."

The same thing occurs in line 6. We are striking that out and substituting in lieu thereof "Secretary of Labor."

In line 16, the original date of this bill was to be July 1, 1960. We have stricken out July 1, 1960, and substituted December 1, 1960.

The amendments that the Clerk just read on page 11, beginning in line 3, are changes in the present law to make possible amendments that affect Puerto Rican nationalists and citizens of the United States who the Department of Labor says should be covered by this act.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. WIER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill comes to the floor this afternoon quite different from the original bill H.R. 10705. Our subcommittee of six members had meetings with the Bureau of the Budget and the Department of Labor. Our subcommittee has worked out a bill very much reduced from the original bill. This bill comes to you with the approval of the Department of the Budget, the Department of Labor, Mr. McCauley, Adminis-

trator of the Federal Employees Compensation Bureau, and it comes to you unanimously approved by the subcommittee and unanimously approved by the full committee, which is quite exceptional in the House.

The bill does this: The Federal employees compensation bill is a bill of quite long standing. The last time this bill was revised—and that is what this bill calls for, a revision of present weaknesses in the present employees compensation bill—the last time this bill was revised was in 1949. Employees, both classified and Post Office employees have and are now receiving their benefits from injuries or sickness due to service-connected disability, based upon the pay received. We have made three revisions in this field. We can take John Doe, a Federal employee who was injured in 1948, it may be a man or it may be a woman. At the time of injury and eligibility for benefits, those benefits were derived at the base pay. No increases at all. So in 1949 we made some little revision but we did not pick up those people who are bedridden cases or wheelchair cases or seriously affected by injuries or illness.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WIER. I yield.

Mr. GROSS. Can the gentleman tell me whether this bill will result in any increased cost?

Mr. WIER. Yes. It is estimated that the entire cost of the bill we are presenting to you will be about \$4 million a year. It protects all employees of the Government. There are approximately 106,000 people who draw benefits each year under the Federal Employees Compensation Act.

Mr. GROSS. Is that \$4 million a year a one-shot proposition or is it a continuing increased cost?

Mr. WIER. It will be a continuing proposition of about \$4 million a year.

Mr. GROSS. Mention is made in the bill of a separate fund being set up in the Treasury. Will this cause additional cost?

Mr. WIER. The answer to the question is that it will not. The proposal is that the Department of Labor, and Mr. McCauley of the Unemployment Compensation Bureau, have requested, after careful study and review, that a policy be established of charging agencies and departments of the Government for compensation paid to their injured employees.

The SPEAKER. The gentleman from Minnesota has consumed 5 minutes.

(By unanimous consent, Mr. WIER was allowed to proceed for 3 additional minutes.)

Mr. WIER. The Department of Labor feels that a great saving can be accomplished under such a policy. Each year each department, bureau, or agency will be charged for the benefits paid its injured employees under the Compensation Act, and that agency will be compelled to repay that money out of their appropriations.

Mr. GROSS. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, as the gentleman from Minnesota has pointed out, this bill corrects certain inequities in the basic law, the Federal Employees Compensation Act, to bring the act up to date.

A subcommittee had hearings on this subject, and the bill which we have before us today represents a substantial compromise on the amounts originally proposed in this area. It was reported out of the subcommittee unanimously, and out of the full committee unanimously, and I think it represents a relatively noncontroversial proposal.

Those employees who were injured prior to 1945 are paid benefits on wage scales that are substantially lower than they are now.

I know of no substantial objection to the bill and I hope it will be acted on favorably.

Mr. HOFFMAN of Michigan. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, it is true that this bill came from the subcommittee and the full committee without any objection. Because, although I am a member of that committee, I have found it useless in the Committee on Education and Labor, made up as it is in membership, to oppose much of anything. That does not mean that I favor the bill.

There is one good thing I know about this bill. There is no doubt in my mind about that. This money that will be paid out, the taxpayers' money, will go to people at home. My friend from Iowa [Mr. Gross] should realize that this is something for the benefit of our own people.

Mr. GROSS. I am glad to have that recommendation for the bill.

Mr. HOFFMAN of Michigan. The gentleman from New Jersey, who probably knows as much or more about this legislation as anyone, said it is a bill to correct inequities. I do not know of any inequities that we are correcting. Are we?

Mr. FRELINGHUYSEN. In some cases the amount of compensation is presently substantially lower than it will be under the revised schedule. I do not know whether you would call that a correction of inequities or not.

Mr. HOFFMAN of Michigan. I think I understand. The cost of living has gone up, and these benefits are increased because of that. That is the only reason it is not right to say inequities.

As I get the situation, the cost of living has gone up, we have inflation and every dollar that you take out of the Federal Treasury tends to increase that. I remember not so long ago we were told that business, industry and labor should hold the line because any addition along these lines, either to prices or wages, caused inflation. But I was also told, if I remember correctly, that, when the Government spent money, it did not have anything to do with inflation. I have never been able to reconcile those two statements.

I assume the bill will pass almost unanimously, but I want to call your attention to the fact that we ourselves

are not only increasing inflation, we are shoving the cost of living up and up. Before too long we will realize what we are doing, we will meet what inevitably will happen. You will have a depression that will shake your teeth, if they are store teeth, right out of your head, and some of your natural ones, too.

That is all I want to say. I just want the record clear.

Mr. GOODELL. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, there was a reference made to inequities. It should be pointed out this bill does a good many things besides raise the compensation level for our Federal employees. There is quite an inequity presently existing in the law between those employees who were injured prior to World War II and those employees who were permanently disabled subsequent to World War II.

In the 5-year period starting prior to 1921, if a person was injured while in Federal employment, in the performance of his duty, and he was permanently and totally disabled, he receives today \$134 a month, while a person who was injured say, for example, after 1959, today he receives \$270 for the same permanent and total injury. This bill is designed to try to bring these groups together so that there is less differentiation according to when you were injured. Those who were injured when their pay scales were at a lower rate, and the compensation figures at two-thirds of your monthly pay, will be brought closer to those who were injured later.

This is perhaps the greatest inequity to be corrected by this bill. Those who were injured prior to 1946 will receive a 30-percent increase in their compensation rate. Those prior to 1951 will receive 20 percent, and those prior to 1958 10 percent. There is no increase for those injured after January 1, 1958.

There are several other features in this bill of a technical nature. To give an example, today if there is a latent injury while an employee is performing his duties as a Federal employee, he has 60 days to report it after the date he is injured. Of course, if it is a latent injury he does not know he was injured, he does not report it, and he is not eligible for compensation.

We are amending the law in this respect to provide that he must report it within 60 days after he is aware or by the exercise of reasonable diligence he should have been aware that he was injured. We are providing a charge-back procedure so that each one of the Federal departments will be responsible for their own safety. They will have to charge and report in their own budgets the amount that is being paid out of the compensation fund for employees in that department. As a result, the Department of Agriculture, which has an unusually high number of employees that are receiving Federal compensation for disability, will be put on notice every year and have to include this in their budget. Presumably this is going to stimulate some further interest in safety measures.

We do require a criminal penalty for willful failure to report injuries on the

part of the various employers, the various officers and employees in the Government who are in a supervisory capacity. I think generally it is an excellent bill. It is an improvement over the old act. The 1949 revision was a good one and it should have been revised again in the interim. It is long overdue, and I urge the support of the Congress for this bill.

Mr. GRIFFIN. Mr. Speaker, I rise to associate myself with the remarks of the gentleman from New York [Mr. GOODELL] and to indicate my support for the bill under consideration which will provide equitable adjustments in the rates of compensation paid to employees of the Federal Government—other than military personnel—who are injured in the performance of their duties and the dependents of those who died as a result of such injuries.

The members of the Safety and Compensation Subcommittee of the Committee on Education and Labor deserve the commendation of the House for their diligent and able work on this legislation.

The bill is fair; it is sound; its enactment is strongly advocated by the Department of Labor.

Mr. Speaker, I urge my colleagues to vote for this bill.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. HOFFMAN of Michigan. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: On page 2, line 13, strike out "\$800" and insert "\$600".

Mr. HOFFMAN of Michigan. My amendment is offered merely to emphasize the situation as it actually exists. There is no question of equalization here except the single one of increasing the benefits to meet the increased cost of living. Is that not right, I ask the very distinguished and able gentleman from New Jersey?

Mr. FRELINGHUYSEN. Mr. Speaker, if the gentleman will yield, this section refers to death benefits.

Mr. HOFFMAN of Michigan. Yes, I know. Well, I did not have my question quite right. The bill just increases the benefits to meet the increase in the cost of living. This particular amendment applies to the burial cost. We have it from the cradle to the grave, and this is after the grave.

Mr. FRELINGHUYSEN. That is correct.

Mr. HOFFMAN of Michigan. It is to equalize the benefit now with what it costs to bury one; is that right?

Mr. FRELINGHUYSEN. To bring it up to a more realistic figure as to actual burial expenses. The gentleman is correct.

Mr. WIER. Mr. Speaker, if the gentleman will yield, I might mention that I oppose the amendment and I want to say honestly that these payments are at the discretion of the Secretary of Labor and the administrator of the fund.

Mr. HOFFMAN of Michigan. Oh, I know. Everybody wants to give somebody something, especially if he does not

have to pay for it himself. The only point I am trying to make is that day after day by bill after bill we are adding to the inflationary trend.

I yield back the balance of my time.

Mr. GOODELL. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the reason we increased the amount as we did to \$800 for burial allowance is because virtually everyone today who is covered by social security receives \$255 burial allowance from social security. In addition, our State compensation programs allow an additional burial allowance to the social security allowance. Our Federal employees are not eligible for that allowance, and this is for the employee who is killed in the performance of his duty as a Federal employee and his death results from the injury as a Federal employee. It is to pay somewhat near the total cost of his burial and certainly \$400 today is considered an inadequate amount.

The SPEAKER. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. WIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### EXTENSION OF VETERANS' GUARANTEED AND DIRECT LOAN PROGRAM

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 576 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7903) to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for two years, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Veterans' Affairs, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by di-

rection of the Committee on Veterans' Affairs may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield myself such time as I may consume and, pending that, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, House Resolution 576 provides for the consideration of H.R. 7903, a bill to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years. The resolution provides for a closed rule, waiving points of order, with 1 hour of general debate.

The veterans' guaranteed home loan program was authorized by the Servicemen's Readjustment Act of 1944 and provides that veterans of World War II could obtain assistance from the Veterans' Administration in the purchase of a home by obtaining a guarantee on a portion of the loan.

The program was authorized for a period of 10 years after the termination of World War II; the program was extended for 1 year by the 84th Congress; it was further extended by the 85th Congress for a period of 2 years and, under present law, the program is due to expire July 25, 1960.

To date, out of 14,330,000 World War II veterans, only 4,955,300 have used their entitlement benefits—35 percent of the total number of World War II veterans.

It will take some time for the recent interest rate increase to induce lenders to come back into the veterans' guaranteed loan program. It is felt that, since the present program will expire July 25, this does not give the qualified veterans sufficient time to use their loan benefits and that an extension of the program is necessary to assist this group.

H.R. 7903 would extend the program until July 25, 1962 so that a veteran who makes application on or before that date will have until July 25, 1963, to close his loan.

Mr. Speaker, I urge the adoption of House Resolution 576.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Arkansas [Mr. TRIMBLE] has explained this rule and the bill which it makes in order. The bill, as I understand, was reported by a unanimous vote of the Committee on Veterans' Affairs. It would extend for 2 years the veterans' guaranteed and direct loan program in areas where it is impossible for veterans to get loans through other sources.

I know of no opposition to the rule. Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman.

Mr. HOFFMAN of Michigan. Is this strictly a loan bill?

Mr. BROWN of Ohio. No; it is a direct loan, or extension of the veterans' direct loan program on housing in certain areas where ex-servicemen cannot get loans.

Mr. HOFFMAN of Michigan. That is all it does?

Mr. BROWN of Ohio. That is right. It extends the present law for 2 years.

Mr. Speaker, I know of no opposition to the rule and, therefore, I yield back the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. McCORMACK].

#### HOOR OF MEETING AND PROGRAM FOR TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourns to meet tomorrow at 10:30 a.m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, what will be the program for tomorrow?

Mr. McCORMACK. Mr. Speaker, I believe the gentleman from Indiana [Mr. HALLECK] was going to ask me that question.

Mr. HALLECK. Mr. Speaker, will the gentleman yield to me?

Mr. GROSS. Yes; I am glad to yield to the gentleman.

Mr. HALLECK. Mr. Speaker, the majority leader spoke to me about coming in early tomorrow, suggesting first of all 10 o'clock. I suggested to him that we, on our side of the aisle, have called a conference of our Members for 9:30 in the morning. So the hour was fixed at 10:30 for the House to meet. It was also discussed that probably the conference report on the Defense Department appropriation bill would be ready tomorrow and perhaps a conference report on another appropriation bill, the general government agencies appropriation bill.

Mr. McCORMACK. And the Private Calendar, let me say.

Mr. HALLECK. It was heretofore arranged under unanimous-consent agreement to call the Private Calendar tomorrow. Then, I understand, it is expected to call the minimum wage coverage bill, and we would hope to follow that with the sugar bill. I certainly hope that can be brought to passage tomorrow because there are certain circumstances attending that which would indicate to me that action ought to be completed on it.

Mr. McCORMACK. That is correct. The rule was reported out this morning. Assistant Secretary of State Macomber called me on the telephone and I assured him I would cooperate in every way possible. The program for tomorrow certainly shows the cooperative spirit of my colleague.

Mr. HALLECK. I should like to say further, as far as I am concerned at this time, as all through this session, I have tried to cooperate in expediting the work of the House of Representatives to the

end that we could adjourn as quickly as possible. I certainly am going to continue to bend every effort I can in that direction.

Mr. McCORMACK. The gentleman from Indiana certainly has cooperated. There has never been any difficulty among the leadership. The leadership on both sides understand the responsibilities of leadership. There is a profound understanding on the part of the gentleman from Indiana and the leadership on this side. As far as the leadership on our side is concerned, I am sure the gentleman from Indiana [Mr. HALLECK] and the former Speaker and minority leader, the gentleman from Massachusetts [Mr. MARTIN] will admit that whether we are in the minority or majority we always cooperate.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. BROWN of Ohio. The sugar bill should not be very difficult to consider once we get this other legislation out of the way, because the House, I think, should know that the pending sugar bill was reported unanimously by the Committee on Agriculture—I think the first unanimous report we have had in this Congress from that committee—and it comes here under a resolution unanimously adopted by the Committee on Rules. The resolution provides that the measure shall be considered for only 1 hour, under a so-called closed rule waiving all points of order. I do not think there will be much debate or many amendments to the bill.

Mr. McCORMACK. We will take up other legislation tomorrow, and that will be announced later.

Mr. GROSS. It seems to me that the request to come in early tomorrow morning also involves the question of the adjournment of the Congress. I wonder if the majority leader can give us any information as to adjournment.

Mr. McCORMACK. I cannot say anything as to that yet, except to say that we recognize that we cannot adjourn sine die due to the fact that the other body has four appropriation bills that have not been acted upon and it has other important legislation which is yet to be considered, so it would be impossible to dispose of that legislation there between now and the time the Democratic convention meets. If the President signs the pay raise bill for postal and classified employees tomorrow that would be very helpful. On the other hand, if he vetoes it, and if the veto message comes up this week, it will then be acted upon, and a resolution will be introduced providing for an adjournment starting Saturday, to what date I do not know.

Mr. GROSS. An adjournment or a recess?

Mr. McCORMACK. The gentleman calls it a recess, and, of course, that is what it would be, to a certain time.

Mr. GROSS. What would be the dates?

Mr. McCORMACK. As to when we would adjourn to?

Mr. GROSS. From when to when?

Mr. McCORMACK. I will be frank to say that at this time I am unable to do so. In my own mind I have a date, but I would rather not state it now because it is a matter of discussion.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that when the House adjourns today it adjourn to meet at 10:30 o'clock tomorrow. Is there objection?

There was no objection.

#### EXTENSION OF VETERANS' GUARANTEED AND DIRECT LOAN PROGRAM

Mr. TRIMBLE. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7903) to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7903, with Mr. BENNETT of Florida in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Texas [Mr. TEAGUE] will be recognized for 30 minutes and the gentlewoman from Massachusetts [Mrs. ROGERS] for 30 minutes.

The gentleman from Texas [Mr. TEAGUE] is recognized.

Mr. TEAGUE of Texas. Mr. Chairman, I yield myself such time as I may require.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. TEAGUE of Texas. Mr. Chairman, we have before us for consideration H.R. 7903, which was reported by my committee. This bill pertains to the Veterans' Administration home loan program. In order that the importance of this legislation may be better understood, I would like to review the history of the veterans' home loan program from its inception.

After World War II the returning veterans found themselves at a great disadvantage in trying to purchase homes. This disadvantage prevailed because they had no money for downpayments to compete with the defense workers who had higher paying jobs and who were therefore able to accumulate a sizable saving for a downpayment on a home. Further, homes were scarce and builders were unable to obtain commitments to build a sufficient number of homes to be financed with conventional financing and low downpayments. In order to assist the returning veteran to readjust to civilian life, Congress passed the Servicemen's Readjustment Act of 1944. This act in-

cluded numerous benefits, such as the vast educational programs with which everybody is familiar, unemployment compensation, and loan guarantee benefits. This act was to run for 10 years after the date of termination of World War II, which was later established as July 25, 1947.

The Veterans' Administration loan guarantee program originally provided a guarantee to a private lender who was willing to finance the purchase of a home for a qualified veteran. The guarantee could not exceed \$2,000. The loan was to be at 4-percent interest and could run for 20 or 25 years. This small amount of guarantee was used to guarantee the downpayment portion of the purchase price of a home. A combination loan, with the Veterans' Administration guaranteeing part and the Federal Housing Administration insuring the remainder, assisted a few veterans in purchasing a home. However, the downpayments and the monthly payments were rather high, having been scheduled according to requirements of the FHA.

This type of loan proved unsatisfactory, both from the standpoint of the veteran and the lender. In 1950 Congress changed the law providing for an increase in the amount of guaranty to 60 percent of the sale price, or \$7,500, whichever was the smaller. This new act proved to be the solution in assisting veterans in purchasing homes and, in addition, it has proved to be one of the greatest underwriting steps ever taken in the mortgage field for the purchase of homes.

By 1950 Congress found that the veterans living in our rural areas, small cities and towns, were failing to obtain private or conventional financing. This was primarily due to the fact that the large lenders refused to make loans in outlying areas because they could make all the loans they wanted in the greater metropolitan areas where service was no problem. In order to correct this inequity, Congress in 1950 authorized the Veterans' Administration direct loan program. This program provided \$150 million and authorized the Administrator to make loans directly to veterans living in the rural areas, small cities and towns where private or conventional financing was not available. The maximum amount for a direct loan was set by law at \$10,000. The program immediately stimulated purchases of homes in the rural areas and veterans at once began making application for direct loans. The first appropriation of \$150 million was soon used up. Since 1950 each Congress has extended the program and authorized additional sums of money. The funds authorized have proved to be insufficient each year, and a large waiting list of veterans desiring direct loans has been constantly in existence since 1950.

In 1951 the lenders slowed down the making of guaranteed loans, claiming that the 4-percent interest rate was not a sufficient yield for them and they began investing their money in other fields. Testimony was received by the Committee on Veterans' Affairs to the effect that

the interest rate must be increased, or the VA loan guarantee program would become nonexistent. This was the first effect of the tight money market on the veterans' home loan program. Thus, in order for veterans to continue to obtain financing, the VA Administrator considered it necessary to increase the ceiling on the Veterans' Administration interest rate to 4½ percent. This authority was provided in the 1948 amendment to the Servicemen's Readjustment Act of 1944. Immediately after the ceiling was raised to 4½ percent, the lenders, again finding the veterans' loan attractive, made ample funds available for loans in the metropolitan areas.

Even this increase in interest rate did not assist veterans living in our rural areas to obtain private financing, and the direct loan program was therefore extended, with an additional authorization of \$150 million.

Both the guaranteed and direct loan programs continued to provide homes for veterans until 1957 when the tight money situation made mortgage funds unavailable for a veteran's 4½-percent guaranteed loan. Testimony was again presented to the committee by the lenders, stating that unless the interest rate was increased, they would be unable to make any more VA loans because of the low yield, which placed the veteran's loan at a disadvantage with other available loans paying the lenders higher rates of interest.

Mr. Chairman, I was opposed to the original increase in interest rate from 4 to 4½ percent because I felt that the veterans' guaranteed loan had many advantages for lenders over other guaranteed or insured Government home loans. These advantages were—and still are—that a lender making a veteran guaranteed loan receives his claim in cash upon foreclosure. Other Government insured loans pay off in debentures. Further, and this is an outstanding advantage, in case the lender is unable to deliver physical possession of the property to the Veterans' Administration upon foreclosure, the VA will still pay in cash the lender's claim. Other governmental insured loans demand that physical possession be given before a claim is paid, and even then the claim is paid in debentures. Notwithstanding these advantages, the Congress, caught in the tight-money dilemma, increased the ceiling on the interest rate again—from 4½ percent to 4¾ percent. This law went into effect on April 1, 1958—Public Law 85-364. This same law extended the direct loan program and the loan guaranty program for 2 years, making the expiration of both programs July 25, 1960, and increased the maximum amount of a direct loan from \$10,000 to \$13,500. It also gave the Administrator the authority to process all applications received on or before July 25, 1960—one additional year for the closing of these loans.

Mr. Chairman, again when the interest rate ceiling was increased, lenders flocked to the program and made funds available for guaranteed loans in the metropolitan areas and, as they had in

the past, failed or refused to make mortgage funds available in the rural areas.

For the third time, in as many years, the lenders and the VA officials inform us that the interest rate is too low. We have increased the interest rate ceiling from 4 percent to 4½ percent, then to 4¾ percent, and last year to 5¼ percent. I say the interest rate is now too high for a guaranteed loan to our veterans and I am opposed to increasing the ceiling above the present 5¼ percent. I admit that lenders are charging 6 percent on conventional home loans, but they have an element of risk involved and are entitled to a higher yield on account of the risk. But, on a VA guaranteed loan there is no risk on the part of the lender, his money is safe. It is guaranteed by the VA and at 5¼ percent.

All of which brings us back to the bill we have before us today—H.R. 7903. This bill will extend the veterans' guaranteed loan program for World War II veterans for 2 years—until July 25, 1962, and extend the veterans' direct loan program for both World War II and Korean veterans, for 2 years—until July 25, 1962, with \$150 million a year for each of the 2-year extensions.

As I mentioned before, the direct loan program was first authorized by the Congress in 1950, because it was found that the Veterans' Administration guaranteed loan program was not offering an equitable opportunity for veterans living in rural areas, small cities and towns to obtain home loans. On the other hand, the veterans living in the metropolitan areas have had little or no difficulty until recently in obtaining mortgage financing.

My committee made a national survey and found that of 3,234,438 veterans living in 1,635 rural counties, less than 10 percent had obtained a loan to purchase a home. This compares with 2,857,307 veterans residing in 126 metropolitan counties where over 40 percent have obtained a guaranteed loan.

The VA guaranteed loan program has assisted over 5 million veterans in obtaining a home loan. The VA direct loan program has made loans to only 152,793 veterans. This small number of direct loans to veterans in the rural areas, small cities and towns, is due to the fact Congress has not authorized sufficient funds for the program to meet the demand.

Public Law 85-364, enacted by the second session of the 85th Congress, extended the direct loan program for 2 years and authorized \$150 million for each of the fiscal years 1959 and 1960. At the time this law was enacted there were about 13,000 veterans on the waiting list. It was found the reason so few veterans throughout the country had made applications for a direct loan resulted from the well-known fact that there were not sufficient funds in the direct loan program; thus, many veterans who really need a direct loan did not bother to apply. As a result of the enactment of Public Law 85-364, the list of veterans wanting a direct loan grew and grew until there were over 57,000 veterans on the waiting list. There were

28,972 veterans on the Veterans' Administration direct loan program waiting list as of June 1, 1960.

Mr. Chairman, just the mention of over 28,000 veterans being on the waiting list today for a direct loan in itself does not really carry the true meaning of the VA direct loan waiting list. The real meaning back of this condition is that we have many more than 28,000 veterans who today cannot get a VA guaranteed loan from private lenders, and unless Congress provides adequate funds for the direct loan program, those veterans—in all probability—will never be able to buy a home.

I might add that the direct loan program is not a "gift" to the veterans of our rural areas; it is a profitable investment of the taxpayers' money. The money authorized for the VA direct loan program will be repaid to the Treasury of the United States with interest.

I am pleased to be able to report to you that as of January 1, 1960, the direct loan program had made a profit to the taxpayers of our country of \$57 million. This profit is the profit after the monies have been repaid to the Treasury that Congress authorized for the direct loan program, plus interest to the Treasury for the use of the money and less losses due to defaults on the direct loans. Now, on the same date, January 1, 1960, the guaranteed loan program had a loss of \$7 million. This is a wonderful record of mortgage underwriting. The VA has guaranteed approximately 6 million veterans' loans in the amount of \$49 billion and the loss is only \$7 million. The two programs—the veterans' direct loan and guaranteed loan programs—have made an overall profit to the taxpayers of \$50 million.

During the hearings held on H.R. 7903, the officials of the Veterans' Administration testified that the VA guaranteed home loan program was almost nonexistent. Witnesses stated that the current VA interest rate of 5¼ percent was not realistic or competitive on today's mortgage market and recommended the Administrator of Veterans' Affairs be given authority to set a higher interest rate. They said, as they have in the past, that a higher interest rate would attract mortgage money and loans on veteran homes would become available immediately. I would like to call your attention to the fact that each time the interest rate ceiling was increased it did not attract ample funds. The committee heard from the Home Manufacturers Association, the National Association of Home Builders, Members of Congress, and veteran service organizations. The committee also heard from the AFL-CIO and trustees of pension funds.

The increase in interest rate approved June 30, 1959, resulted in an additional cost to veterans of our country amounting to many millions annually. Let us take an example of a \$15,000 home with a 25-year loan. The added cost to the veteran is \$52.20 per year, due to the increased interest rate. Over the life of the loan this would mean an additional cost to the veteran of \$1,305. Using the figure of 300,000 veteran home loans, the

increase in interest rate will result in lenders receiving an additional \$15,660,000 for their loans per year. This amount over the 25-year period of the loans will result in an increase to the lenders of \$391,500,000. I am of the firm opinion that the interest rate is already too high.

Another increase in interest rate will not only cost more for veterans who are able to qualify for a loan, but will also be the direct cause for the rejection of many veterans' applications due to their credit rating or insufficient income to pay the increased interest payments. Although an increased interest payment on a \$15,000 home would be only \$4.35 per month, this additional \$4.35 will require the veteran to have an additional \$20 monthly take home income in order to qualify for the loan. Many veterans who are today "borderline" cases—credit wise—for a 5½ percent loan, will not be able to obtain approval for a loan with an interest rate in excess of 5¼ percent.

The administration is opposed to the extension of the guaranteed loan program for World War II veterans, as well as an extension of the direct loan program, for both World War II and Korean veterans. They state they are opposed to an extension due to the fact the World War II veterans have had 13 years within which time to use their home loan benefit—in other words, he has had ample time. I take issue with the conclusion that our World War II veterans have had ample opportunity to get a VA home loan. The administration does not state why they are opposed to extending the direct loan program for our Korean veterans. As I have outlined before, the World War II veteran has been the victim of the present administration's tight money policy, that is, our city veterans. Our country veterans have not had ample opportunity to get a loan; first, because the lenders would not make loans in the rural areas, and second, because Congress has never authorized sufficient funds for the direct loan program. Now, to show you the World War II veterans have not had ample opportunity to get a home loan, we have today over 15 million World War II veterans. Only 4.7 million World War II veterans have obtained a VA guaranteed loan. This leaves 11.3 million World War II veterans who have not obtained a VA guaranteed home loan. The VA officials tell us one-third of all our veterans live in rural areas, small cities and towns. This means we have today over 3 million World War II veterans living in our rural areas who have not obtained a VA home loan—these veterans live where mortgage financing has always been in short supply. Now, about the Korean veterans. There are 4½ million Korean veterans and less than 1 million have obtained a VA guaranteed or direct loan. This leaves 3½ million Korean veterans who have not obtained a VA home loan. Over 1 million of these Korean veterans live in the rural areas where mortgage financing is in short supply. Therefore, it is very necessary that both the guaranteed and direct loan programs be extended.

Mr. Chairman, I have attempted to give a clear picture of the provisions contained in H.R. 7903. If this bill is enacted, it will still fall short of supplying mortgage financing to the veterans in the rural areas, small cities and towns of our country, but this bill will be a great help. It is important that we continue to provide these veterans with direct loan funds and I feel confident that my colleagues will support the bill now before us.

Mr. KING of Utah. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. KING of Utah. Mr. Chairman, I rise at this time to express my opposition to the so-called Long amendment to H.R. 11045, which we are now considering. The original, and unamended bill, I approve. Its objectives were meritorious. The Long amendment, however, which was passed unanimously by the Senate, has injected an element into the bill which makes the latter unacceptable to me.

This amendment would reopen the sale of national service life insurance for a 1-year period to all veterans who served in the Armed Forces at any time between October 8, 1940, and January 1, 1957. I certainly have no objection to the Federal Government's providing national service life insurance to veterans whose insurability has been impaired by reason of service-connected disabilities. Moreover, I understand perfectly well why the Government has, for years, provided insurance to all nondisabled servicemen contemporaneously with their period of service, as a means of making armed service more attractive. I have no objection to such practice as a matter of principle.

I cannot ignore the fact, however, that the very presence of our Government in the insurance field should be a source of concern to all. In fact, the same is true wherever the Government finds itself competing directly against private business. I have always felt that such competition was an anomaly, and was basically inconsistent with our American free-enterprise system.

I realize, of course, that there are exceptions to this statement, particularly in the field of hydroelectric power development. There may also be other situations of an unusual or an emergency nature in which the basic precept of nongovernmental competition should be modified. Moreover, I certainly do not question the right or propriety of the Government to sponsor an insurance program for its own employees.

In the case of the bill before us, however, I see no emergency, and no special or unusual circumstances. What I do see is that the Government finds itself in sponsorship of an insurance program in direct competition with a large number of private life insurance companies which are perfectly capable of writing their own policies, at competitive rates.

Why should the Government provide insurance for an able-bodied young man who is perfectly able to procure his own insurance from a private company? Where is the special or emergency situation which requires this? Even though the Government-provided life insurance policy may be underwritten by a private company, the evil of government competition is still there. The rates offered by the Government can only be characterized as "cut rate." Put yourself in the position of a life-insurance salesman calling upon a prospect. If the latter should say to the former: "I can get insurance from the Government at rates that you cannot touch," what could the former reply? The only thing he could do would be to agree with the prospect that private industry cannot compete with the Government, and to take his hat and leave.

My feeling is that instead of expanding the area of government-private industry overlap, we should curtail it. I would like to see the Government withdraw, as fast as possible, from all fields of potential overlap in which it cannot be clearly demonstrated that its presence is needed. Such a demonstration has not been shown in the instant case.

Insurance is, perhaps, the most competitive business in America. For that reason it is one of the most efficient, and one whose benefits to the consumer have been the most conspicuous. Why, then, should we inflict upon it this shocking and uncalled-for penalty?

I strongly urge the House to voice its objection to the Long amendment, and to defeat the bill as amended.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am heartily in favor of this bill. I introduced a similar bill in the House some years ago myself.

This bill represents another move by the Congress to extend the World War II loan-guarantee program so that veterans of World War II who have not used their eligibility will still have an opportunity to acquire homes with the aid of the guaranteed loan provisions of the GI bill. The extension of this program for 2 years should enable many of them to take advantage of this benefit who for various reasons have not already done so.

The importance of this program to date is shown by the fact that from 1944 through April 1960 the Veterans' Administration had guaranteed or insured more than 5¼ million loans totaling over \$48½ billion to veterans of World War II and the Korean conflict. About 95 percent of these loans were home loans. Some 35 percent of the World War II veterans have used their GI loan entitlement. This leaves over 9 million World War II veterans in civilian life who have not used their entitlement. Out of this large number there will no doubt be many who will desire to participate in the program and become homeowners through its assistance in the next 2 years if this bill is enacted. Economically the program has been useful because the Government has made \$50 million on it. The veterans have been remarkable in paying back the loans.

The bill also extends the direct loan program for 2 more years. This will apply both to World War II and Korean veterans who live in rural and semirural areas where there is a shortage of mortgage money. These direct loans by the Veterans' Administration supplement the guaranteed loan program, which, for various reasons, is less active in the nonmetropolitan areas. This program, too, has helped many veterans in these shortage areas to acquire homes.

Expenditures totaling more than \$1¼ billion for direct loans has already been made, involving something like 160,000 direct loans.

I have introduced similar bills to H.R. 7903, and feel that an extension of this program is necessary for the veterans in the small towns and rural areas in order that they may have an equal opportunity to participate in the loan program.

Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, this bill is a good piece of legislation. Basically, it is an extension of what is already existing law. I hope it passes. It will give many veterans of the country an opportunity to take advantage of the loan program who so far have not been able to do so.

Mr. TEAGUE of Texas. Mr. Chairman, I have no further requests for time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, H.R. 7903 would extend the Veterans' Administration's home loan guarantee program for World War II and the Korean war veterans for 2 years. It would also extend the veterans' direct loan program to the Korean veterans.

It is important to take action on this bill at this time because both the direct loan and the guarantee programs expire on July 25 of this year. The need for continuing the programs is evident when you look over the lists of those who are still in need of this help. Over 9 million World War II veterans have not used their option on the home loan programs and 3½ million Korean veterans have not yet used their options. At the present time there are many thousands of veterans on the waiting lists for these home loans.

The main reason that the direct loan program is still needed is because about one-third of our veterans live in rural areas where it is virtually impossible to get any other type of loans. These men cannot get other loans because many private loan companies do not need to take the trouble to make loans in scattered rural areas when they have all the business they can handle in the metropolitan areas. It is primarily these veterans in the rural areas that need help.

To extend these programs would also be a boost to our Nation's economy. The homebuilding industry is second only to auto manufacturing in size and scope. About 5,000 different segments of our economy are connected with the homebuilding industry. When the pro-

gram was first started, Veterans' Administration loans and guarantees accounted for about one-third of the home construction. To show the size of the program in my State of Indiana, direct loans have helped build 5,424 homes representing \$38½ million. The VA guarantee has helped build an additional 106,000 homes representing another \$738 million; \$775 million is indeed a shot in the arm for any State's economy.

Now, the best part of the program is that it is making the taxpayers money. Since the program was started, the loan programs have paid for themselves completely and cleared \$57 million profit.

With all of these advantages and with the continued need for these programs, I strongly urge the extension of the Veterans' Administration's direct loan and guarantee programs for an additional 2 years.

Mrs. ROGERS of Massachusetts. Mr. Chairman, this program has proved of great value to the veterans.

I yield such time as he may desire to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, H.R. 7903 will extend the veterans' guaranteed loan program for World War II veterans for 2 years. This program for the World War II veterans will expire July 25, 1960. The bill also extends the veterans' direct loan program for both World War II veterans and Korean veterans for 2 years, and provides \$150 million for each of the 2-year extensions. This program will expire for both the World War II veterans and Korean veterans on July 25, 1960.

The direct loan program was first authorized by the Congress in 1950 because it was found that the Veterans Administration guaranteed loan program was not offering an equitable opportunity for veterans living in rural areas, small cities and towns to obtain home loans. On the other hand, the veterans living in the metropolitan areas have had little or no difficulty in obtaining mortgage financing.

My committee made a national survey and found that of 3,234,438 veterans living in 1,635 rural counties, less than 10 percent had obtained a loan to purchase a home. This compares with 2,857,307 veterans residing in 126 metropolitan counties where over 40 percent have obtained a guaranteed loan.

The VA guaranteed loan program has assisted over 5 million veterans in obtaining a home loan. The VA direct loan program has made loans to only 152,793 veterans. This small number of direct loans to veterans in the rural areas, small cities and towns, is due to the fact Congress has not authorized sufficient funds for the program to meet the demand.

Public Law 85-364, enacted in the second session of the 85th Congress, extended the direct loan program for 2 years and authorized \$150 million for each of the fiscal years 1959 and 1960. At the time this law was enacted there were about 13,000 veterans on the waiting list. It was found the reason so few veterans throughout the country had made application for a direct loan re-

sulted from the well-known fact there were not sufficient funds in the direct loan program; thus, many veterans who really need a direct loan did not bother to apply. As a result of the enactment of Public Law 85-364, the list of veterans wanting a direct loan grew and grew until there are over 45,000 veterans on the waiting list. Today there are some 28,000 veterans on the VA direct loan waiting list.

Mr. Chairman, just the mention of over 28,000 veterans being on the waiting list today for a direct loan in itself does not really carry the true meaning of the VA direct loan waiting list. The real meaning back of this condition is that we have over 28,000 veterans who today cannot get a VA guaranteed loan from private lenders and unless Congress provides adequate funds for the direct loan program, these veterans, in all probability, will never be able to buy a home.

Mr. Chairman, the direct loan is not a gift to the veterans of our rural areas—it is a profitable investment of the taxpayers' money. The direct loan program has made a profit for the taxpayers, after moneys have been repaid to the Treasury, with interest to the Treasury, losses deducted, and so forth—a profit as of January 1960 of \$57 million. I might add at this point that the VA guaranteed loan program with approximately 6 million loans guaranteed in the amount of \$49½ billion has lost only \$7 million. This is a wonderful record of mortgage underwriting. The two programs, the VA guaranteed loan program, and the VA direct loan program, have made a net profit to the taxpayers of \$50 million.

Mr. Chairman, there are some 10 million World War II veterans who have not used their veterans' home loan benefits. Many of these veterans have not used their benefits because they could not get a loan due to the present administration's tight money policy. For the past 8 years the mortgage money has fluctuated to such an extent that many veterans have been unable to obtain a loan when they needed it. When they found a house they wanted and could buy there were no loans.

I would like to point out that one-third of our veterans live in rural areas of our country. These boys have not had a real opportunity to get a loan. Up to 1959 most city veterans had little or no trouble in getting a loan, however, during these last 2 years, 1959 and 1960, even the city veteran is having a hard time in getting a veteran's guaranteed loan. This all means that we have today over 3 million World War II veterans who have not obtained a VA guaranteed or direct loan, living in our rural areas where mortgage financing has always been in short supply. It also means that we have today, over 1 million Korean veterans living in our rural areas that will not be able to get a loan unless the direct loan program is extended.

Mr. RAINS. Mr. Chairman, I strongly support the bill now before the House which would extend the GI home loan program for World War II veterans for

2 years and which would continue the program of direct loans for our veterans for the same period.

I am sure that everyone is well aware of the splendid record of accomplishment under these programs. VA-guaranteed loans have helped 5½ million veterans to buy their own homes on liberal credit terms; 1.8 million of these loans were on a no-downpayment basis. While there were some who had doubts about the soundness of the liberal credit terms provided for under the GI program, our veterans have amply justified our confidence in them. Already 1½ million of these loans have been repaid in full. Only 1 percent have ended in foreclosure and the dollar loss on these homes has amounted to less than one-tenth of 1 percent of the total amounts. We can all take pride in this record.

This program has consistently accounted for a high proportion of homebuilding in the lower price ranges and truly serves the average income family. The income of the typical GI borrower last year was \$5,400, almost exactly the national average. Moreover, his income was one-fifth below that of the typical home buyer under the FHA program.

Mr. Chairman, it is particularly important that the program be extended at this time. If the Congress allows the entitlement of World War II veterans to expire there will be a serious gap in the housing market at a time when we can ill afford it. At present, nonfarm housing starts are nearly one-fifth below a year ago with much of the decline having occurred under the GI program. This dropoff threatens to undermine our entire economy just as a similar decline in residential construction was a major factor leading to the severe recession of 1957-58. In the interest of the economic well-being of our country it is essential that homebuilding be revived. The GI home loan program can play an important part in that recovery.

By the same token, the drop in VA activity over the past year has prevented many veterans from using their entitlement in the time allowed. The administration's hard money policy which has raised interest rates to the highest level in three decades largely choked off the flow of funds for these loans last year. In effect, this meant a premature end to the program in many parts of the country, particularly the South and West. It is only fair, therefore, that the program be extended so that veterans who have been deprived of loans through conditions beyond their control may have an opportunity to take advantage of the benefits which the Congress intended they should have.

Mr. Chairman, in my judgment, the program of direct loans for veterans living in rural areas is particularly deserving. I am indeed proud to have been an original sponsor of this program in the House. This program was authorized by the Congress in 1950 in recognition of the fact that private funds were not available for these loans in many small towns far removed from financial centers. We must keep in mind the fact that housing problems are just as serious in our small towns and rural areas as they are in larger cities.

A primary cause of this is the lack of adequate financing on liberal terms from private sources. Reflecting this, less than 10 percent of the veterans living in rural counties have been able to obtain home loans under the GI program in contrast to over 40 percent of those living in metropolitan counties. The direct loan program is necessary to provide equal treatment for all veterans.

Let me emphasize the fact that there is no subsidy in this direct loan program. These loans are made at the regular interest rate on guaranteed loans which is 5¼ percent. This is well above the rate at which the Treasury borrows funds and, as a result, these loans return a profit to the Government.

I would like to compliment the able chairman of the Committee on Veterans' Affairs, the gentleman from Texas [Mr. TEAGUE], and the members of that fine committee for their work in fashioning our highly successful programs for veterans and for reporting out the bill now before the House. I strongly urge all of my colleagues to vote for its passage.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Under the rule the bill is considered as read. No amendment is in order except committee amendments. Are there committee amendments?

Mr. TEAGUE of Texas. Mr. Chairman, I have one committee amendment consisting of four parts, which is a perfecting amendment asked for by the Veterans' Administration.

I offer the committee amendment.

The Clerk read as follows:

On page 2, after line 12, insert the following:

"Sec. 5. Section 1804(c) of title 38, United States Code, is amended by adding the following at the end thereof: 'Notwithstanding the foregoing requirements of this subsection, the provisions for certification by the veteran at the time he applies for the loan and at the time the loan is closed shall be considered to be satisfied if the Administrator finds that (1) in the case of a loan for repair, alteration, or improvement the veteran in fact did occupy the property at such times, or (2) in the case of a loan for construction or purchase the veteran intended to occupy the property as his home at such times and he did in fact so occupy it when, or within a reasonable time after, the loan was closed.'

"Sec. 6. (a) Chapter 37 of title 38, United States Code, is amended by adding after section 1805 thereof a new section, as follows:

"§ 1806. Escrow of deposits and downpayments

"(a) Any deposit or downpayment made by an eligible veteran in connection with the purchase of proposed or newly constructed and previously unoccupied residential property in a project on which the Administrator has issued a Certificate of Reasonable Value, which purchase is to be financed with a loan guaranteed, insured, or made under the provisions of this chapter, shall be deposited forthwith by the seller, or the agent of the seller, receiving such deposit or payment, in a trust account to safeguard such deposit or payment from the claims of creditors of the seller. The failure of the seller or his agent to create such trust account and to maintain it until the deposit or payment has been

disbursed for the benefit of the veteran purchaser at settlement or, if the transaction does not materialize, is otherwise disposed of in accordance with the terms of the contract, may constitute an unfair marketing practice within the meaning of section 1804(b) of this chapter.

"(b) If an eligible veteran contracts for the construction of a property in a project on which the Administrator has issued a Certificate of Reasonable Value and such construction is to be financed with the assistance of a construction loan to be guaranteed, insured, or made under the provisions of this chapter, it may be considered an unfair marketing practice under section 1804(b) of this chapter if any deposit or downpayment of the veteran is not maintained in a special trust account by the recipient until it is either (1) applied on behalf of the veteran to the cost of the land or to the cost of construction or (2), if the transaction does not materialize, is otherwise disposed of in accordance with the terms of the contract.'

"(b) The analysis of chapter 37 of title 38, United States Code, is amended by adding after '1805. Warranties,' the following:

"'1806. Escrow of deposits and downpayments.'

"Sec. 7. (a) Chapter 37 of title 38, United States Code, is amended by renumbering section 1824 as section 1825 and inserting a new section 1824 to read as follows:

"§ 1824. Loan guarantee revolving fund

"(a) There is hereby established in the Treasury of the United States a revolving fund known as the Veterans' Administration Loan Guarantee Revolving Fund (hereinafter called the Fund).

"(b) The Fund shall be available to the Administrator when so provided in appropriation acts and within such limitations as may be included in such acts, without fiscal year limitation, for all loan guarantee and insurance operations under this chapter, except administrative expenses.

"(c) There shall be deposited in the Fund (1) by transfer from current and future appropriations for readjustment benefits such amounts as may be necessary to supplement the Fund in order to meet the requirements of the Fund, and (2) all amounts now held or hereafter received by the Administrator incident to loan guarantee and insurance operations under this chapter, including, but not limited to, all collections of principal and interest and the proceeds from the use of property held or the sale of property disposed of.

"(d) The Administrator shall determine annually whether there has been developed in such Fund a surplus which, in his judgment, is more than necessary to meet the needs of the Fund, and such surplus, if any, shall immediately be transferred into the general fund receipts of the Treasury.'

"(b) The analysis of chapter 37 of title 38, United States Code, is amended by deleting '1824. Waiver of discharge requirements for hospitalized persons,' and inserting in lieu thereof:

"'1824. Loan guarantee revolving fund.

"'1825. Waiver of discharge requirements for hospitalized persons.'

"(c) This section shall become effective as of July 1, 1961."

On page 1, strike out lines 7 and 8 and insert in lieu thereof the following: "and (3) by striking out 'before July 26, 1961' and inserting in lieu thereof 'after such date'."

Mr. TEAGUE of Texas. Mr. Chairman, as instructed by my committee, I offer an amendment to H.R. 7903. The amendment is in four parts and I ask unanimous consent that they be considered en bloc.

The amendment has been requested or approved by the Veterans' Administration and will:

First. Provide for the issuance of a guarantee of a veteran's home loan by the Administration on loans in cases where the veteran did, in fact, occupy the home, but through oversight the occupancy certifications were not completed as required.

Second. Require a veteran's deposit or downpayment to be held by the seller in a trust account until the loan is closed, to safeguard such deposit or downpayment from the claims of creditors of the seller.

Third. Establish a revolving fund for the Administrator for ease in his operations of the loan guarantee program.

Fourth. Eliminate the 1-year closing authority on loans after the expiration date of the benefit. This is deemed necessary by many lenders and the VA.

Mr. Chairman, part 1 of the amendment is necessary to enable some of the lenders participating in the veterans' home loan program to obtain a guarantee on veterans' loans that were closed without first getting the required certifications of intent to occupy, as required by law. In numerous cases the lender failed to get the veteran to certify that he intended to occupy the property as his home, before the loan was closed. Under the present law, even if the veteran does occupy the property as his home, but the lender failed to obtain the required certifications of intent to occupy, the loan is not eligible for a VA guarantee. This would make such loans eligible for a VA guarantee if the veteran did in fact occupy the home.

Mr. Chairman, part 2 of the amendment will require the veteran's deposit or downpayment on a home, to be deposited in a special account where it cannot be attached by the seller's creditors.

Mr. Chairman, part 3 establishes a special account in the Treasury for the Administrator of Veterans' Affairs. This is desired by the Administrator for ease in administering the veterans' home loan program and has the approval of the Treasury.

Mr. Chairman, part 4 is more or less a technical amendment in that it does not take any benefits from our veterans. It only changes the wording of the present laws, which will assist lenders and title companies. The veteran can still close his loan after the expiration date of the programs provided his application is received by VA prior to the expiration date.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BENNETT of Florida, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7903) to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years, pur-

suant to House Resolution 576, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes had it.

Mr. ADAIR. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 397, nays 1, not voting 32, as follows:

[Roll No. 163]

YEAS—397

Abbt	Byrnes, Wis.	Fogarty
Abernethy	Cahill	Foley
Adair	Canfield	Ford
Addonizio	Cannon	Forrester
Albert	Casey	Fountain
Alexander	Cederberg	Frelinghuysen
Alger	Celler	Friedel
Allen	Chamberlain	Fulton
Andersen,	Chelf	Gallagher
Minn.	Chenoweth	Garmatz
Andrews	Chiperfield	Gary
Anfuso	Church	Gathings
Arends	Clark	Gavin
Ashley	Coffin	George
Ashmore	Cohelan	Gialmo
Aspinall	Collier	Gilbert
Avery	Colmer	Glenn
Ayres	Conte	Goodell
Bailey	Cook	Granahan
Baldwin	Cooley	Grant
Baring	Corbett	Gray
Barr	Cramer	Green, Oreg.
Barrett	Cunningham	Green, Pa.
Barry	Curtin	Griffin
Bass, N.H.	Curtis, Mass.	Griffiths
Bass, Tenn.	Curtis, Mo.	Gross
Bates	Daddario	Gubser
Baumhart	Dague	Hagen
Becker	Daniels	Haley
Beckworth	Davis, Tenn.	Halleck
Belcher	Dawson	Halpern
Bennett, Fla.	Delaney	Hardy
Bennett, Mich.	Dent	Hargis
Berry	Denton	Harmon
Betts	Derounian	Harris
Blatnik	Derwinski	Harrison
Boggs	Devine	Hays
Boland	Diggs	Healey
Bolling	Dingell	Hechler
Bolton	Dixon	Hemphill
Bonner	Donohue	Henderson
Bosch	Dooley	Herlong
Bow	Dorn, N.Y.	Hess
Boykin	Dorn, S.C.	Hiestand
Brademas	Dowdy	Hoeven
Bray	Downing	Hoffman, Ill.
Breeding	Doyle	Hoffman, Mich.
Brewster	Dulski	Hogan
Brock	Dwyer	Hollifield
Brooks, La.	Elliott	Holland
Brooks, Tex.	Everett	Holt
Broomfield	Evins	Holtzman
Brown, Ga.	Farbstein	Horan
Brown, Mo.	Fascell	Hosmer
Brown, Ohio	Feighan	Huddleston
Broyhill	Fenton	Hull
Budge	Fino	Ikard
Burke, Ky.	Fisher	Inouye
Burke, Mass.	Flood	Irwin
Burleson	Flynn	Jackson
Byrne, Pa.	Flynt	Jarman

Jennings	Miller, N.Y.	Santangelo
Jensen	Milliken	Saund
Johansen	Mills	Saylor
Johnson, Calif.	Minshall	Schenck
Johnson, Colo.	Moeller	Scherer
Johnson, Md.	Monagan	Schneebell
Johnson, Wis.	Montoya	Schwengel
Jonas	Moore	Scott
Jones, Ala.	Moorhead	Selden
Jones, Mo.	Morgan	Shelley
Judd	Morris, N. Mex.	Sheppard
Karsten	Moss	Shipley
Karth	Moulder	Short
Kasem	Multer	Sikes
Kastenmeier	Murphy	Siler
Kearns	Murray	Simpson
Kee	Natcher	Sisk
Keith	Nelsen	Slack
Kelly	Nix	Smith, Calif.
Kilburn	Norblad	Smith, Iowa
Kilday	Norrell	Smith, Kans.
Kilgore	O'Brien, Ill.	Smith, Miss.
King, Calif.	O'Brien, N.Y.	Smith, Va.
King, Utah	O'Hara, Ill.	Spence
Kirwan	O'Hara, Mich.	Springer
Kitchin	O'Konski	Stagers
Kluczynski	O'Neill	Steed
Knox	Oliver	Stratton
Kowalski	Osmer	Stubblefield
Kyl	Ostertag	Sullivan
Lafore	Passman	Taber
Laird	Patman	Taylor
Landrum	Pelly	Teague, Calif.
Lane	Perkins	Teague, Tex.
Langen	Pfost	Teller
Lankford	Philbin	Thomas
Latta	Pirnie	Thompson, La.
Lennon	Poage	Thompson, N.J.
Lesinski	Poff	Thompson, Tex.
Levering	Porter	Thomson, Wyo.
Libonati	Powell	Thornberry
Lindsay	Preston	Toll
Lippscomb	Price	Tollefson
Loser	Prokop	Trimble
McCormack	Pucinski	Tuck
McCulloch	Quile	Udall
McDonough	Quigley	Ullman
McDowell	Rabaut	Utt
McFall	Rains	Vanik
McGinley	Randall	Van Pelt
McGovern	Ray	Van Zandt
McIntire	Reece, Tenn.	Wallhauser
McMillan	Rees, Kans.	Walter
McSweeney	Reuss	Wampler
Macdonald	Rhodes, Ariz.	Watts
Machrowicz	Rhodes, Pa.	Weaver
Mack	Riehlman	Weis
Madden	Riley	Westland
Magnuson	Rivers, Alaska	Wharton
Mahon	Rivers, S.C.	Whitener
Mailliard	Roberts	Whitten
Marshall	Robison	Widnall
Martin	Rodino	Wier
Matthews	Rogers, Colo.	Williams
May	Rogers, Fla.	Wilson
Meador	Rogers, Mass.	Winstead
Merrow	Rogers, Tex.	Wolf
Metcalf	Rooney	Wright
Meyer	Roosevelt	Yates
Michel	Rostenkowski	Young
Miller, Clem	Roush	Zablocki
Miller,	Rutherford	
George P.	St. George	

NAYS—1

Wainwright

NOT VOTING—32

Alford	Carnahan	Mitchell
Anderson,	Coad	Morris, Okla.
Mont.	Davis, Ga.	Morrison
Auchincloss	Durham	Mumma
Baker	Edmondson	Pilcher
Barden	Fallon	Pillion
Bentley	Forand	Vinson
Blitch	Frazier	Willis
Bowles	Hébert	Withrow
Buckley	Keogh	Younger
Burdick	Mason	Zelenko

So the bill was passed.

The Clerk announced the following pairs:

Mr. Keogh with Mr. Mason.  
Mr. Hébert with Mr. Pillion.  
Mr. Bowles with Mr. Mumma.  
Mr. Alford with Mr. Withrow.  
Mr. Burdick with Mr. Younger.  
Mr. Morrison with Mr. Auchincloss.  
Mr. Vinson with Mr. Baker.  
Mr. Buckley with Mr. Bentley.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND REMARKS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in the Record on the bill just past.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### NATIONAL SERVICE LIFE INSURANCE

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11045) to amend section 704 of title 38, United States Code, to permit the conversion or exchange of policies of national service life insurance to a new modified life plan, with Senate amendments thereto, and consider the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, after line 6, insert:

"Sec. 2. That subchapter I of chapter 19 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 725. Limited period for acquiring insurance

"(a) (1) Any person heretofore eligible to apply for participating national service life insurance between October 8, 1940, and April 24, 1951, both dates inclusive, shall, upon application made in writing within one year after January 1, 1961, submission of evidence satisfactory to the Administrator showing such person to be in good health at the time of such application, and payment of the required premiums, be granted insurance under the same terms and conditions as are contained in standard participating policies of national service life insurance.

"(2) All premiums paid and other income received on account of national service life insurance granted under the authority contained in this subsection and on any total disability income provision which may be attached thereto shall be segregated in the National Service Life Insurance Fund and, together with interest earned thereon, shall be available for the payment of liabilities under such life and disability insurance.

"(3) Notwithstanding the provisions of section 782 of this title the Administrator shall determine annually the administrative costs which in his judgment are properly allocable to such life and disability insurance and shall thereupon transfer the amount of such costs from any surplus otherwise available for dividends on such life and disability insurance from the National Service Life Insurance Fund to the general fund receipts in the Treasury. The Administrator of Veterans Affairs is directed to submit to the Senate Committee on Finance and the House Committee on Veterans Affairs, at the end of each fiscal year, a detailed report on additional costs occasioned by issuance of new policies under section 2 of this bill.

"(b) Any person heretofore eligible to apply for insurance under section 620 of the National Service Life Insurance Act of 1940,

as amended, or subsection (a) of section 722 of this title, shall, notwithstanding any time limitation for filing application for insurance contained in such sections, upon application made in writing within one year after January 1, 1961, be granted insurance under subsection (a) of section 722 of this title, subject to the other limitations and conditions applicable to such insurance.

"(c) Any person heretofore eligible to apply for insurance under section 621 of the National Service Life Insurance Act of 1940, as amended, shall, upon application in writing made within one year after January 1, 1961, and submission of evidence satisfactory to the Administrator showing such person to be in good health at the time of such application and payment of the required premiums, be granted insurance under subsection (b) of section 723 of this title subject to the limitations and conditions applicable to such insurance, except that (1) until January 1, 1962, limited convertible term insurance may be issued but not renewed after the applicant's fiftieth birthday, and (2) the premiums charged for such insurance and for any total disability income provision which may be attached thereto shall include an additional amount for administrative costs as determined and fixed by the Administrator at the time of issue. The Administrator is authorized to transfer annually an amount representing such administrative costs from the revolving fund to the general fund receipts in the Treasury.

"(d) Notwithstanding the provisions of section 782 of this title, a medical examination when required of an applicant for issuance of insurance under subsection (a) or (c) of this section shall be at his own expense by a duly licensed physician.

"(e) No insurance shall be granted under this section to any person referred to in section 107 of this title."

Page 4, after line 6, insert:

"Sec. 3. The analysis of subchapter I of chapter 19 of title 38, United States Code, is amended by adding at the end thereof the following:

"725. Limited period for acquiring insurance."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SMITH of California. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Texas a question if I may. I wonder if the distinguished chairman of the Veterans Committee can tell me whether or not he is for or opposed to the amended language which the Senate placed in the bill.

Mr. TEAGUE of Texas. Mr. Speaker, for the past 4 years the other body has adopted this amendment which gives all the veterans certain rights. Our committee has considered this bill each of the last 4 years and has turned it down each time.

I am opposed to the amendment, and if we did consider it I would oppose it; but the fact that it passed the other body 75 to 0 caused me to promise the author of the amendment in the other body that I would ask that it be taken up.

Mr. SMITH of California. Then it is true, Mr. Speaker, that the subcommittee of the House Veterans Affairs Committee studied the substantive language of the amendment at great length and unanimously turned it down. Is that correct?

Mr. TEAGUE of Texas. That is correct.

Mr. SMITH of California. It is also correct that the Veterans' Administration is decidedly opposed to this bill. The committee is opposed to it very decidedly.

Mr. TEAGUE of Texas. That is right.

Mr. SMITH of California. Mr. Speaker, I object to the request.

#### WAGE RATES AT PORTSMOUTH, N.H., NAVAL SHIPYARD

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 575) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 19) to provide a method for regulating and fixing wage rates for employees of Portsmouth, New Hampshire, Naval Shipyard. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, House Resolution 575 provides for the consideration of the bill (S. 19) to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard. It is an open rule providing for one hour of general debate.

The bill S. 19 would require that the Secretary of the Navy establish an hourly rate of pay for all per diem employees of the Portsmouth, N.H., Naval Shipyard at the same hourly rates paid to employees of similar classification at the Boston, Mass., Naval Shipyard.

This bill came before the House in 1958, and passed the House. It was vetoed by the President and on August 12, 1958, the Senate passed the bill over the President's veto by a vote of 69 to 20. On August 13, 1958, the House by a vote of 202 to 180 favored enactment of the bill over the veto, but this vote was not sufficient to override the veto and the bill did not become law.

As I say, this bill makes mandatory that the same rate of pay for similar work be paid at both these shipyards. To give an example of rates in effect and the disparity in wage rate of these two shipyards in 1959, I call attention to the following: A laborer at Boston was paid \$1.96 an hour, at Portsmouth \$1.70, a disparity of 26 cents. A machinist was paid \$2.78 an hour at Boston but only \$2.61 at the Portsmouth Naval Shipyard, a disparity of 17 cents.

There is great disparity in the wage scale at each pay level between the Boston and Portsmouth Shipyards and, under the circumstances, the Committee

on Armed Services again recommends enactment of legislation which would eliminate these discrepancies.

Mr. Speaker, I urge the adoption of House Resolution 575.

Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. Brown] and reserve the balance of my time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. GROSS. Is there some emergency in connection with this legislation that it must be considered at this hour, late in the day, when the session of Congress will be resumed in August? Is there any reason why this bill should not have been carried over?

Mr. O'NEILL. I have nothing to do with scheduling bills for consideration. I am sure the gentleman is aware of that.

Mr. GROSS. Is there any emergency?

Mr. O'NEILL. I do not know, but I am sure that the sooner we correct disparities in pay by the same employer at different shipyards about 35 or 40 miles apart, the better for them. I cannot see why there should be this discrepancy when a worker traveling 20 miles one way at Boston is paid a higher rate than he would be paid if he traveled 20 miles the other way to Kittery, Maine, or Portsmouth, N.H., which cities are opposite each other.

I may say, Mr. Speaker, this bill passed the Senate in May of 1959.

Mr. GROSS. I might ask the gentleman what it has been doing in all the intervening time.

Mr. O'NEILL. I could not give the gentleman an answer to his question.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Massachusetts has explained, this resolution makes in order the consideration of S. 19 under an open rule providing 1 hour of debate.

S. 19 would provide that the wages paid mechanics and other Government workers in the Portsmouth, N.H., Shipyard be the same as the wages paid at the Boston Shipyard.

In 1958 a similar bill was approved by the Congress and vetoed by the President. The bill failed to be passed over the President's veto.

There is a disparity in wages between the wages per hour paid Government workers in the New Hampshire shipyard at Portsmouth and the wages paid in the Boston Shipyard. As I understand it, it is only about 20 miles between the two cities. Many of the workers live in between the two cities, some in the community of Salem.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mrs. BOLTON. Is the Kittery Point Shipyard involved in this bill?

Mr. O'NEILL. It is the same shipyard.

Mr. BROWN of Ohio. It is the same.

Mr. O'NEILL. It is the Kittery, Maine-Portsmouth Shipyard.

Mr. BROWN of Ohio. It is partly in Maine and partly in New Hampshire.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Massachusetts.

Mr. MARTIN. Mr. Speaker, I would like to speak in favor of this bill for just a moment because I think this is an economic necessity. These two yards are only about 60 miles apart and they draw their labor supply from both sections. You have a competitive system up there that is a detriment to both yards. I think as a matter of justice these two yards should operate on the same level.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I hope so much that this bill will be adopted. We have a good many men in Massachusetts and from my own district who motor every day to the Portsmouth Navy Yard and come back, and they cannot understand why they are paid less than the other shipyard workers are paid. It is rather strange. I am fond of the Navy, but I cannot understand their action in regard to the Kittery-Portsmouth Navy Yard.

I remind the House that the work at this yard is very skilled and often very dangerous. That should be taken into consideration. It is important for them to have good pay and protection on account of their wives and families. The trips to the shipyard are dangerous. At midnight I saw three men killed and one injured on the highway going to work at Portsmouth. One cannot forget those things. The gentleman from Texas [Mr. KILDAY] spoke of the dangerous trips. I hope this bill will be passed.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I am in favor of this bill, but I am intrigued by the number of people who voted against the farm bill a while back who are now interested in the wages in these two yards. The people involved in the farm bill were a lot closer than 35 miles of each other. They lived in the same vicinity.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. KILDAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 19) to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 19, with Mr. HARRISON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KILDAY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, a good deal of the history of this bill has been gone into in the presentation of the rule. The purpose of the bill has been rather adequately expressed. I might remark that under the law the Secretary of the Navy and the Secretaries of the other military departments have the power to establish wage board areas. Within those wage board areas these boards fix the hourly rate of pay of the crafts which work in the Navy Shipyards and, of course, in Army arsenals or in Air Force depots and things of that kind.

From 1924 to 1947 the Navy regarded the Boston Naval Shipyard and the Portsmouth Naval Shipyard as being within the same Wage Board area. Throughout that period of time the same hourly wage was paid to the various crafts and laborers employed in those two shipyards. Whether employed in one or the other, they drew the same hourly rate of pay. For some reason in 1947 it was seen fit to separate the two into separate Wage Board areas and since that time there has been constant difficulty. As was evidenced by the number of New England Members who expressed an opinion under the rule, they are very well informed on this matter, because it has been a source of difficulty over a period of years. If I am not correct in this, the gentleman from Massachusetts [Mr. BATES], can correct me, but it is my recollection that practically every commanding officer at Portsmouth has recommended in the past, while he was commanding there, that this difficulty be eliminated by putting both of these shipyards in the same wage area.

It seems as if it is just a matter of stubbornness on the part of some of the authorities in the Navy Department that they have consistently refused to do it. It is only 60 miles between Boston and Portsmouth, as I understand. Men living next door to each other, in the same neighborhood in the city of Boston, some work in the Boston Navy Yard and some work in the Portsmouth Navy Yard, and those at Portsmouth are traveling further and drawing less pay than those in the Boston Shipyard.

It has been disclosed here that in 1958 the House and the Senate passed a bill. The President vetoed it, and then the Senate overrode by a very comfortable majority, over two-thirds, and the House failed by a few votes to override.

It is true at that time the Secretary of the Navy took action to adjust some of the wage rates there. It did not cure the difficulty. It still left the disparity as to the pay of various crafts. Actually the action which the Secretary of the Navy took in adjusting those individual pay rates was proof of the fact that we were justified in passing the bill last year, and the same good reasons exist today for the passage of this bill.

Mr. Chairman, I trust that the bill will be passed. It passed the Senate last year in May, I believe, and it is now before us. I trust that favorable action will be taken.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Iowa.

Mr. GROSS. How many other Wage Board employees are there in this area that could logically come in and ask for the same treatment if this treatment is accorded in this case?

Mr. KILDAY. As far as I know, these are the only two naval shipyards in the area that could be affected. The bill is confined entirely to the rate of pay; that the Portsmouth Naval Shipyard rate shall be fixed at the same hourly rate as the Boston Naval Shipyard.

Mr. GROSS. I read in the RECORD this:

Furthermore, it would be extremely difficult, if not impossible, to argue logically against extension of the same principle to other Department of Defense activities located in labor market areas within a 60-mile radius of Boston.

Mr. KILDAY. The gentleman is reading from the report, but he is reading from the objections voiced by the Secretary; not from the language of the committee.

Mr. GROSS. Then he goes on to say: "Should such extension occur, the increased cost to the Department of Defense would be about \$6 million." Is that correct?

Mr. KILDAY. The bill shows it would be \$1.7 million.

Mr. GROSS. But if extended to others within the same wage board area, the cost would be \$6 million.

Mr. KILDAY. That is not my understanding.

Mr. BATES. Mr. Chairman, I yield such time as he may desire to the gentleman from New Hampshire [Mr. MERROW].

Mr. MERROW. Mr. Chairman, I rise in support of S. 19, a measure that will require the Secretary of the Navy to establish an hourly rate of pay for all per diem employees of the Portsmouth, N.H., Naval Shipyard at the same hourly rate paid to employees of similar classifications at the Boston, Mass., Naval Shipyard. I wish to express my appreciation for the great assistance given to us by the most distinguished chairman of the Armed Services Committee, the gentleman from Georgia [Mr. VINSON], and by the gentleman from Texas [Mr. KILDAY], the very able chairman of the subcommittee who reported this measure. The Armed Services Committee of the House has acted favorably upon the proposed legislation on two occasions, and I am grateful for their consideration.

This bill would correct a grave injustice that is being done to the workers at the Portsmouth Naval Shipyard, the first submarine yard in the Nation. The record of this yard is long and distinguished, made so by the thousands of workmen who are employed at this great naval installation. A measure having an identical purpose to S. 19 was, as is pointed out in the report which accompanies S. 19, passed by the Senate on May 12, 1958; approved by the House on July 21, 1958; and vetoed on August 4, 1958. On the 12th of August, 1958, by a vote of 69 to 20, the Senate overrode the Presidential veto and, although the

House on the 13th, by a vote of 202 to 180, failed to override, the fact remains that a majority of this House has, on two occasions approved this legislation. So today we are considering a bill containing provisions which have three times been approved by the Senate and twice approved by the House counting the votes on the veto.

I think it should be further pointed out that between the time the Senate voted to override the veto in August 1958 and the time the House voted on the measure the next day, the Navy made an adjustment in the wage rate at the Portsmouth Naval Shipyard, but, as the report accompanying this measure so well states, "this procedure has afforded only a partial remedy to the problem."

In this same report, Mr. Chairman, there is included a letter addressed to me, under date of August 6, 1959, from Rear Adm. R. E. Cronin, U.S. Navy, Chief of Industrial Relations, which eloquently points out the growing differences between the pay rate at Boston and Portsmouth for identically the same work. In an effort to bring the wage scale up to date, I am including a letter from Admiral Cronin, under date of June 24, 1960, giving the current pay scale at the Boston and Portsmouth Naval Shipyards. Both letters are included. With the exception of three instances, the gap in compensation between Portsmouth and Boston for similar work done at Portsmouth continues to widen. This, Mr. Chairman, is a disparity which ought not to exist. It is unreasonable; it is unjust; it is unfair.

DEPARTMENT OF THE NAVY,  
OFFICE OF INDUSTRIAL RELATIONS,  
Washington, D.C., August 6, 1959.

HON. CHESTER E. MERROW,  
House of Representatives,  
Washington, D.C.

MY DEAR MR. MERROW: In reply to a telephone request from your office on August 6, 1959, information concerning pay scales at the Boston and Portsmouth Naval Shipyards in effect in August 1958 and at present are provided below:

Pay level	August 1958			August 1959		
	Boston rate	Portsmouth rate	Difference	Boston rate	Portsmouth rate	Difference
1.....	\$1.77	\$1.58	\$0.19	\$1.90	\$1.64	\$0.26
2 laborer.....	1.83	1.64	.19	1.96	1.70	.26
3.....	1.91	1.72	.19	2.05	1.81	.24
4.....	2.00	1.79	.21	2.14	1.91	.23
5 helper.....	2.08	1.87	.21	2.23	2.02	.21
6.....	2.15	1.96	.19	2.31	2.11	.20
7.....	2.22	2.04	.18	2.38	2.19	.19
8.....	2.29	2.13	.16	2.46	2.28	.18
9.....	2.36	2.21	.15	2.53	2.37	.16
10.....	2.43	2.30	.13	2.61	2.45	.16
11 machinist.....	2.50	2.38	.12	2.68	2.54	.14
12.....	2.60	2.45	.15	2.78	2.61	.17
13.....	2.70	2.52	.18	2.89	2.68	.21
14 toolmaker.....	2.80	2.59	.21	2.99	2.75	.24
15.....	2.86	2.65	.21	3.05	2.81	.24
16.....	2.92	2.71	.21	3.11	2.87	.24
Patternmaker.....	2.95	2.65	.30	3.14	2.83	.31

I trust that the foregoing provides the information you desire.

Sincerely yours,

R. E. CRONIN,  
Rear Admiral, USN,  
Chief of Industrial Relations.

DEPARTMENT OF THE NAVY,  
OFFICE OF INDUSTRIAL RELATIONS,  
Washington, D.C., June 24, 1960.

HON. CHESTER E. MERROW,  
House of Representatives,  
Washington, D.C.

MY DEAR MR. MERROW: In reply to your letter of June 21, 1960, current pay scales at the Boston and Portsmouth Naval Shipyards are listed below:

2d step hourly rates

Pay level	Boston area	Portsmouth area	Difference
1.....	\$2.00	\$1.72	\$0.28
2 laborer.....	2.06	1.78	.28
3.....	2.14	1.88	.26
4.....	2.22	1.98	.24
5 helper.....	2.30	2.08	.22
6.....	2.38	2.17	.21
7.....	2.45	2.26	.19
8.....	2.53	2.35	.18
9.....	2.60	2.43	.17
10.....	2.68	2.52	.16
11 machinist.....	2.75	2.61	.14
12.....	2.87	2.68	.19
13.....	2.99	2.75	.24
14 toolmaker.....	3.11	2.82	.29
15.....	3.17	2.88	.29
16.....	3.23	2.94	.29
Patternmaker.....	3.24	2.91	.33

These rates of pay were authorized by schedules of wages issued April 27, 1960, which is the only change since my letter to you of August 6, 1959.

Should you desire any additional information that I can give, please let me know.

With kindest regards.

Sincerely yours,

R. E. CRONIN,  
Rear Admiral, USN, Chief of  
Industrial Relations.

The Portsmouth Naval Shipyard is located approximately 60 miles from the Boston yard and, as I have repeatedly stated—and as I pointed out in my statement before Subcommittee No. 1 of the Committee on Armed Services when hearings were being held on August 11, 1959—there is a great discrepancy in the work scale at Portsmouth with Boston. For the same type of work, skilled employees at Portsmouth are receiving a much lower rate of pay than those at the Boston yard.

May I further call attention to the reports made by the House and Senate committees 2 years ago to accompany S. 2266 which bill had the identical purpose of the one we are considering today. From the Senate report of May 8, 1958, is the following paragraph:

In making this recommendation, the committee has found persuasive the sparsity of representative samples of wage rates from private industry in the Portsmouth area. There is no other shipbuilding activity in the Portsmouth area. Determinations of the wages to be paid employees in the Portsmouth Naval Shipyard have been based on samples of these skills employed in other than shipbuilding industry. Testimony indicated that in the Portsmouth survey for 1957, a total of 316 job samples from private industry determined the wage rates for 5,351 employees in the shipyard. Of these 316 samples, only 179 represented skilled craft jobs. In contrast, from the Boston wage survey for 1956, 5,955 samples from private industry determined the rates for 9,325 wage board employees. Of these 5,955 samples 3,253 represented skilled craft jobs.

In the House report of July 1, 1958, are the following words:

The disparity in rates for the same skills has been the source of much dissatisfaction

at Portsmouth. Complaints against this policy have been brought to the attention of Members of Congress from the area and these Members have attempted to secure relief for the employees by appeals for administrative adjustment of the rates under the flexibility provided in existing law. Until now, these attempts at corrective action have been unavailing.

Mr. Chairman, when I appeared before the subcommittee in 1958, in support of this same legislation, I said:

The Boston and Portsmouth yards were considered the same labor market area for 23 years. In 1947 the Department changed its procedure and started to conduct wage surveys separately within the Portsmouth area.

The industries, in my opinion, in the area are not comparable with the type of work that is being carried on at the Portsmouth yard and to continue to proceed with the present method certainly works a hardship on the employees of the Portsmouth yard.

Now, Mr. Chairman, the act of July 16, 1862 is the legal authority for the manner in which the Navy determines its wage structure. It should be kept in mind that for over 20 years, the Portsmouth Naval Shipyard had the same wage scale as the Boston yard. The Department of the Navy could, by administrative action, put these two areas together but has steadfastly refused to do so. Therefore, the necessity of this legislation.

We face here, Mr. Chairman, a unique situation. These shipyards, as I have stated, are about 60 miles apart. Comparable industries for setting a wage scale in the Portsmouth area, as has been pointed out, are certainly insufficient and inadequate in determining a wage scale. Furthermore, Portsmouth and Boston were considered as one area for wage determination for over 20 years and only beneficial results followed.

Mr. Chairman, favorable action on this measure will not serve as a precedent. This is a unique situation. An obvious injustice is being done. This has been a burning problem for years. Congress has spoken twice on the matter and, in view of the adamant position taken by the Department of the Navy—a position which, in my opinion, is unfair to the employees of the Portsmouth Naval Shipyard—I hope the House will act favorably on this legislation.

Mr. McINTIRE. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Maine.

Mr. McINTIRE. Mr. Chairman, I certainly wish to commend the gentleman from New Hampshire and members of the Committee on Armed Services and everyone who has taken an interest in this legislation. I supported it in 1958 and propose to support it at this time. I think this is a matter where there is a need for adjustments in order to get equity in the wages paid in these two areas. I am very happy to join with the gentleman from New Hampshire and others in support of this legislation.

Mr. MERROW. I thank the gentleman for his contribution. Since the Department refuses to make this adjustment administratively, this is the only recourse we have.

Mr. BATES. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, the gentleman from Iowa hopes his colleagues will forgive his taking just 2 minutes to point out that some of the pieces of the picture are beginning to fit together. We are talking here about wage discrimination. Tomorrow it is understood that we will talk about minimum wages. The gentleman would point out that according to the latest figures the Iowa farmers are averaging—and these are the people who own the farms or operate them—from 58 to 70 cents an hour, not \$1.58 or \$1.90, but 58 to 70 cents.

This is not speaking out of turn, I would point out, because we do have a lot of ships in the yards which are filled with grain which some of us would like to take out of these ships.

The thing we are talking about in the farm business is not a minimum wage but the evident maximum wage which is paid our farmers. We have talked about return on investment. We have to point out that the average return on investment to Iowa farmers and other Midwest farmers of late has been about 2 percent or 3 percent, not the higher percentage that we have spoken about.

Earlier today we talked about Americans not wanting to do hard work. In regard to this, I would point out that in our State today the average age of all farmers is 53 years; not because the young people do not want to farm or because they are unwilling to do the work, but because they simply cannot make a living on the farm.

We are told this afternoon that we are going to meet again in August. This means that we do have time to act in the field of agriculture. I point out that the House approved last week as part of the agriculture program a measure which would remove crops from storage, which would include bushel controls, which would include crop insurance for farmers, all without additional expenditure by the Federal Government. Certainly we have the pattern for agricultural legislation. The House has approved that measure. We have the time. The gentleman from Iowa thinks it is also time to act decisively on agricultural legislation.

Mr. KILDAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. COFFIN].

Mr. COFFIN. Mr. Chairman, I strongly support this legislation. It is overdue.

Mr. Chairman, the case for passage of this bill has been so ably put by the gentleman from Texas [Mr. KILDAY] that any extensive remarks by me would be unnecessary and inappropriate. I regret very much the necessity for legislative action. Had there been adequate recognition by the executive branch of the need for remedy for this long standing problem, we would not be here today. But there has been no such adequate recognition.

Can the Congress be so ill advised that the concerted opinion of both bodies, manifested not once but several times, involving not only the two great Armed

Services Committees but the membership on both sides of the aisle, is worthy of being ignored? I do not think so. The arguments here today have revealed no answer to the charge of inequity in giving workers living in what today more than ever must be classed as the same general community, a substantially different wage, determined solely by the fact that they work in navy yards removed from each other by 53 miles.

To compound the inequity, the Navy has journeyed 85 miles to find data on which to base a rate, while asserting that a distance of 53 miles justifies an hourly wage differential of almost 30 cents an hour. It seems that there are two uses of distance. Both the greater and the smaller distance can be used, if the result is to justify a lower wage rate.

Mr. Chairman, this body has recently acted to remove wage inequities for Federal employees in general. Here is a specific inequity which requires a specific remedy. I urge passage of this long overdue legislation.

Mr. BATES. Mr. Chairman, I rise in support of this bill. It has been fully and adequately debated here on the floor not only today but on previous occasions. We have had extensive hearings on it before the Committee on Armed Services. What we are trying to do is restore the same rules and regulations that prevailed from 1922 to 1947.

Mr. KILDAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. OLIVER].

Mr. OLIVER. Mr. Chairman, I rise in support of this urgently needed legislation. It is urgently needed to correct a long continuing injustice, based upon wage discrimination against the skilled and conscientious employees of the naval yard located at Kittery, Maine, but designated by the Navy as the Portsmouth, N.H., yard.

The detailed explanation which has been given by the able gentleman from Texas [Mr. KILDAY] makes unnecessary further explanation by me.

However, I do want to stress to the Members of this House that existing disparities in wages for workers who do the same kind of work in Kittery as is done in the Boston, Mass., yard, only 55 miles away, is nothing but rank discrimination.

It is impossible to get the job of correcting this injustice done, administratively by the Navy. Consequently, for the second time, we are asking this House to rectify wage disparities which detrimentally effects morale and makes recruitment of specially skilled craftsmen increasingly difficult.

Those of us who have lived with this problem for the past several years and who are disturbed because of the Navy's adamant opposition to equalizing Kittery wages with Boston wages for the same work depend upon the fairness and justice with which the Members of this House meet discrimination wherever and whenever it rears its ugly head.

Why should blue-collar employees in Kittery suffer the disparity of 14 cents per hour in the bench-mark trades while performing equal work as their fellow employees in Boston?

Why should laborers in Kittery be penalized with a discriminatory differential of 28 cents per hour because of the obstinate refusal of the Navy Industrial Relations Board to rectify the same?

Why should patternmakers in Kittery suffer a differential of 33 cents per hour as contrasted to the same craftsmen in Boston, especially when there is no comparable trade in the local area thusly, working this unjustified injustice against the loyal, skilled and conscientious naval employees upon whom the construction of our vital polaris submarines depend?

This is no time, Mr. Chairman, to procrastinate and continue to push under the rug these problems which are crying for settlement. The House can and will act, as always, in the interests of fair play whenever the facts are disclosed.

The facts, Mr. Chairman, are on our side. Justice calls for action, here, tonight. I feel certain that you, my colleagues, will help us do this necessary job.

Mr. KILDAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, the Boston, Mass., Naval Shipyard and the Portsmouth, N.H., Naval Shipyard are only some 60 miles apart, yet the employees at Portsmouth are paid considerably less for doing the same kind of work as the employees at Boston. This is unfair to them and detrimental to their morale. A bill to correct this inequity was passed by both the Senate and the House in 1958. It was vetoed by the President. The veto was overridden in the Senate but sustained in the House.

In his veto message, the President took notice of the alleged inequities and directed the Secretary of the Navy to review the entire situation and to make such adjustments in the wage rates at the Portsmouth Naval Shipyard as were warranted by his review. This resulted in some compensatory increases that afforded only a partial remedy to the problem. Dissatisfaction among the per diem employees at Portsmouth continues, and with justification.

The act of July 16, 1862, is authority for the manner in which the Navy determines its wage structure. But the conditions of today are vastly different from the Civil War period when travel was slow and difficult and the living costs at Portsmouth were considerably less than those at Boston. The spread of industry and the mobility of trade and commerce in 1960, almost 100 years later, have leveled out the living costs in the two areas making them practically equal.

The Navy should face up to these realities and, by administrative action, merge these two areas insofar as wage rates are concerned, but has stubbornly refused to do so. In spite of the fact that for 23 years, the Boston and Portsmouth yards were considered to be the same labor market area. This proved to be the most satisfactory method for nearly a quarter of a century, including the emergency years of World War II. In 1947, however, the Department saw

fit to turn back the clock to separate the wage surveys, even though the two areas were practically indistinguishable from one another.

The purpose of S. 19 is to modernize the civilian personnel practices of the Navy by law and to correct an injustice that would otherwise impair the morale and the efficiency of the workers at Portsmouth.

The Committee on Armed Services recommended on June 9, 1960, the passage of S. 19 which will establish an hourly rate of pay for all per diem employees of the Portsmouth, N.H., Naval Shipyard at the same hourly rates that are paid to employees of similar classification at the Boston, Mass., Naval Shipyard.

The act of 1862 as the authority by which the Navy determines its wage structure is out of date. It violates our belief that there should be equal pay for equal work, where the economic environment of two neighboring areas is not separate but the same.

The workers at Portsmouth deserve and expect that S. 19 will achieve this equality for them.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy shall establish the hourly rates of pay for all per diem employees employed at the Portsmouth, New Hampshire, Naval Shipyard at the same hourly rates as are paid to employees of similar classification resulting from area wage survey applicable to employees of the Boston, Massachusetts, Naval Shipyard.*

*Sec. 2. This act shall take effect on the first day of the first pay period which begins after the date of enactment of this Act.*

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I still have no answer to my question or the question that arises from the statement to be found in the report by the Department of Defense that it would be extremely difficult, if not impossible, to argue logically against the extension of the same principle to other Department of Defense activities located within a 60-mile radius of Boston. I should like someone who supports this bill to answer those questions.

Mr. MERROW. I think the general answer to that is that this is a unique situation. In the Portsmouth area there are not comparable industries to set the wage scale properly. That has been demonstrated over and over again. There are data in the various statements to show that there is insufficient industry in that area to set the wages properly. We have to go to the Boston area.

Mr. GROSS. The gentleman has not even started to answer my question as to how it would be possible to stop other wage board employees from going to the same kind of deal.

Mr. MERROW. It is my understanding that this is a particular situation. When it is acted upon it will not affect other areas. The Congress in consider-

ing this is considering a special situation.

Mr. GROSS. Why cannot Congress do the same thing for other wage board workers in the same area?

Mr. MERROW. Because this is a peculiar situation and does not affect other areas.

Mr. GROSS. There are other wage board employees in the area, are there not?

Mr. McCORMACK. There are no other wage board employees in this district. This applies to these naval employees only. It has no application elsewhere because the prevailing rate of wages in force is a matter that is pretty well defined, as I understand, by the Department of Defense.

Mr. GROSS. If you pass this provision are there other organizations that could logically ask to be given the same treatment because they are located in a labor market area within 60 miles of the shipyard at Boston?

Mr. McCORMACK. My understanding is that this bill applies only to Portsmouth Navy Yard.

Mr. GROSS. I understand, but what about other wage board employees who might come to Congress and say they want the same treatment?

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. KILDAY. I call the gentleman's attention to the fact that the portion of the report from which he has read is a portion of a letter written in opposition to the bill by the Secretary. He is not pointing to any specific situation where this condition exists; he is citing a hypothetical case where, if this situation should arise, it would be difficult to argue against the same thing being done in other wage areas.

Mr. GROSS. Exactly.

Mr. KILDAY. Let me say to the gentleman that the only two installations subject to the Wage Board are Boston and Portsmouth. There are no other employees concerned except those in these two shipyards. There is no other place in the United States in which they have a comparable problem of where from 1924 to 1947 the two installations were regarded as being within the one Wage Board area, and then separated as was the case between Portsmouth and Boston. While the Department is attempting to point out a hypothetical case in which some situation might arise, the fact is that there is not any instance anywhere within the United States where a comparable situation could arise.

Mr. GROSS. Is the gentleman saying, then, that the language contained in the letter from the Department of Defense, or the statement contained in the letter by the Department of Defense is inaccurate or erroneous?

Mr. KILDAY. I do not think the gentleman should put it that way. What I am saying to the gentleman is that it is a portion of an argument made by the Secretary of Defense. I do not necessarily contend that it is incorrect, inaccurate, or untrue.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 2 additional minutes.)

Mr. KILDAY. Just as the fact that there is disagreement between the gentleman and myself at the moment does not mean that either of us is charging the other with any lack of good faith. I do not charge that to the Secretary. I say the Secretary has done the best he could with a bad situation in attempting to make a logical argument in favor of the position he takes, and that the argument which he makes is not justified.

Mr. GROSS. Is the gentleman saying that there is no validity to the statement made by the Secretary of Defense?

Mr. KILDAY. There is no validity to the statement, because such a situation does not exist anywhere in the United States and, therefore, that result could never occur.

Mr. GROSS. And there are no wage board employees within 60 miles of the shipyard at Boston who are covered by this bill, who could come to Congress and say: "We want in on this same sort of thing"?

Mr. KILDAY. This simply requires that the employees of the Portsmouth Shipyard be paid the same wages for the same category of employment as are paid at Boston. That is all that is involved.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. MEADER. I wonder if the gentleman read the next paragraph, paragraph (c):

Immediate costs to the Department of Defense from enactment of this legislation would approximate \$1,700,000. \* \* \* Should such an extension occur increase costs to the Department of Defense will be about \$6 million.

Mr. GROSS. I brought that out a while ago on the floor of the House; yes.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HARRISON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 19) to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard, pursuant to House Resolution 575, he reported the bill back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

#### AMENDMENT TO SECTION 2771 OF TITLE 10, UNITED STATES CODE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the

Speaker's desk the bill (H.R. 9702) to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill. The Clerk read the Senate amendment, as follows:

Line 6, strike out "paid" and insert "made".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### AMENDING THE CAREER COMPENSATION ACT OF 1949 WITH RESPECT TO INCENTIVE PAY FOR CERTAIN SUBMARINE SERVICE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10500) to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 9, after "commence" insert ", and duty as an operator or crew member of an operational, self-propelled submersible, including undersea exploration and research vehicles".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### AMENDING TITLE 10, UNITED STATES CODE, TO AUTHORIZE REDUCTION IN ENLISTED GRADE UPON APPROVAL OF CERTAIN COURT-MARTIAL SENTENCES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12200) to amend title 10, United States Code, to authorize reduction in enlisted grades upon approval of certain court-martial sentences, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out lines 18 to 24, inclusive, and on page 3 strike out lines 1 to 13, inclusive.

Amend the title so as to read: "An Act to amend title 10, United States Code, to authorize reduction in enlisted grade upon approval of certain court-martial sentences."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HOFFMAN of Michigan. Mr. Speaker, what are these bills?

Mr. KILDAY. Mr. Speaker, these are several bills passed by the House and reported by the Committee on Armed Services. There were slight amendments by the Senate. These have been cleared with the gentleman from Illinois [Mr. ARENDS], ranking minority member of the Committee on Armed Services. He has agreed that these may be taken up at this time.

Mr. HOFFMAN of Michigan. Where is the one where the Senate refused to agree to the provision about reporting our expenses?

Mr. KILDAY. I do not think this is one of the bills.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### AMENDING AND CLARIFYING THE REEMPLOYMENT PROVISIONS OF THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5040) to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after line 5 over to and including line 13 on page 5 and insert:

"(1) By inserting in paragraph (2) of subsection (g) the words 'and other than for training' after the words 'physical fitness' in the parenthetical phrase thereof.

"(2) By amending paragraph (3) of subsection (g) to read as follows:

"(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from that training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a position in accordance with the provisions of this paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 and the following)."

"(3) By adding the following new paragraphs at the end of subsection (g):

"(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall upon request be granted a leave of absence by

his employer for the period required to report for the purpose of being inducted into, entering, determining his physical fitness to enter, or performing active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his rejection, or upon his discharge from hospitalization incident to that training or rejection, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of rejection or training to the place of employment following his rejection or release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absences from scheduled work. If that employee is hospitalized incident to active duty for training, in active duty training, or rejection, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after his rejection or release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay or the nearest approximation thereof consistent with the circumstances in his case.

"(5) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or section 301 of title 37, United States Code, is considered inactive duty training."

"Sec. 2. Section 262(f) of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1013(f)), is repealed.

"Sec. 3. This Act shall take effect upon the expiration of sixty days from the date of its enactment."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate agrees to the amendment of the House to Senate amendment No.

51 to the bill (H.R.12232) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the Senate further insists on its amendment No. 44 to the above-entitled bill and requests a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. CHAVEZ, Mr. HAYDEN, Mr. JOHNSON of Texas, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 10596. An act to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States.

H.R. 11001. An act to provide for the participation of the United States in the International Development Association.

#### LEGISLATIVE BRANCH APPROPRIATION BILL, 1961

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12232) making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes, with Senate amendments thereto, further disagree to Senate amendment No. 44, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object. Will the gentleman tell us what remains in disagreement?

Mr. NORRELL. There is only one amendment unresolved. The rest of them have been disposed of.

Mr. GROSS. Will the gentleman tell us the status of the disclosure amendment—amendment No. 51, regarding disclosure of travel expenses?

Mr. NORRELL. That has been disposed of. The Senate has agreed to the House amendment to the Senate amendment No. 51—the disclosure amendment.

Mr. GROSS. I am glad to hear that. I thank the gentleman.

Mr. NORRELL. That subject has been disposed of.

Mr. ANDERSEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. I am assured that the gentleman from New York [Mr. TABER], is in full agreement with what the gentleman from Arkansas is doing.

Mr. NORRELL. That is so. There is only one amendment still open, and that has to do with restoration of the old Senate Chamber and the old Supreme Court Chamber. They provide \$400,000 to restore the Chambers and we disagree to that here. That will have to be worked out in conference.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? The Chair hears none and appoints the following conferees: Messrs. NORRELL, KIRWAN, CANNON, HORAN, and TABER.

#### CRAWFORD, NEBR.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6179) to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr., with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "\$880" and insert "\$500."

Page 1, strike out all after line 8 over to and including line 4 on page 2 and insert:

"Starting at a point where the north line of the corporate limits of the city of Crawford, Dawes County, Nebraska, intercepts the east line of the tract of land granted, subject to certain conditions, to the village of Crawford, Nebraska, by the Act of June 25, 1906 (34 Stat. 461), and running thence due west a distance of 660 feet, thence due north a distance of 660 feet, thence due east a distance of 660 feet, thence due south a distance of 660 feet to the place of origin, containing 10 acres more or less."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### GRAND VALLEY FEDERAL RECLAMATION PROJECT

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5098) to provide for the application and disposition of net revenues from the power development on the Grand Valley Federal reclamation project, Colorado, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That upon the expiration of the contract between the United States, the Grand Valley Water Users' Association, and the Public Service Company of Colorado, dated July 2, 1959, the Grand Valley Water Users' Association with the approval of the Secretary of the Interior, is authorized to enter into a contract or contracts for a cumulative total period of not to exceed twenty-five years for the sale or development of any power or power privileges in the Grand Valley Power Plant, Grand Valley reclamation project: Provided, That such sale or development of power or power privileges shall be without expenditure of funds by the United States. Any such contract shall provide, among other things, that annual net power revenues from the plant, minus the annual operation and maintenance cost of delivering the power water, will be applied in the following order and manner: (a) on the aggregate of the annual sums due and payable by the Association to

the United States as provided in article 12, paragraphs (c), (d), and (e), and article 22(a) (ii) of contract numbered Ilr-644 between the United States and the Association, dated January 27, 1945, until such time as the obligation under said contract has been paid in full; and (b) in any year in which the net power revenues exceed the aggregate of the annual sums due and payable under said contract between the United States and the Association, and after the obligation under said contract has been paid in full against the total obligations incurred for the rehabilitation of the project works under contracts between the United States and the Association now or hereafter entered into: Provided, That such application shall not reduce the annual sums payable under such contracts."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### AMEND LAWS RELATING TO HAWAII

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11602) to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, strike out lines 7 to 10, inclusive.  
Page 4, line 12, strike out "9" and insert "8".

Page 4, line 24, strike out "10" and insert "9".

Page 5, line 6, strike out "11" and insert "10".

Page 5, line 12, strike out "12" and insert "11".

Page 6, line 2, strike out "13" and insert "12".

Page 6, line 8, strike out "14" and insert "13".

Page 6, line 22, strike out "15" and insert "14".

Page 10, line 23, strike out "16" and insert "15".

Page 11, line 4, strike out "17" and insert "16".

Page 11, line 8, strike out "18" and insert "17".

Page 13, line 18, strike out "19" and insert "18".

Page 15, line 14, strike out "20" and insert "19".

Page 15, line 18, strike out "21" and insert "20".

Page 17, line 5, strike out "22" and insert "21".

Page 17, line 18, strike out "23" and insert "22".

Page 17, line 21, strike out "24" and insert "23".

Page 18, line 23, strike out "25" and insert "24".

Page 19, line 4, strike out "26" and insert "25".

Page 19, line 18, strike out "27" and insert "26".

Page 19, line 24, strike out "28" and insert "27".

Page 20, line 17, strike out "29" and insert "28".

Page 20, line 21, strike out "30" and insert "29".

Page 22, line 20, strike out "31" and insert "30".

Page 25, line 22, strike out "32" and insert "31".

Page 26, line 2, strike out "33" and insert "32".

Page 26, line 6, strike out "34" and insert "33".

Page 26, line 12, strike out "35" and insert "34".

Page 26, line 16, strike out "36" and insert "35".

Page 27, line 9, strike out "37" and insert "36".

Page 27, line 15, strike out "38" and insert "37".

Page 27, line 20, strike out "39" and insert "38".

Page 28, line 2, strike out "40" and insert "39".

Page 28, line 6, strike out "41" and insert "40".

Page 28, line 14, strike out "42" and insert "41".

Page 28, line 20, strike out "43" and insert "42".

Page 29, line 4, strike out "44" and insert "43".

Page 29, line 21, strike out "45" and insert "44".

Page 30, line 8, strike out "46" and insert "45".

Page 30, line 15, strike out "47" and insert "46".

Page 30, strike out lines 20 to 25, inclusive.

Page 31, line 2, strike out "49" and insert "47".

Page 33, strike out lines 19 to 22, inclusive.

Page 33, line 24, strike out "50" and insert "48".

Page 34, line 15, strike out "51" and insert "49".

Page 34, line 21, strike out "52" and insert "50".

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### DINOSAUR NATIONAL MONUMENT

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6597) to revise the boundaries of Dinosaur National Monument and provide an entrance road or roads thereto, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, what monument is this?

Mr. ASPINALL. This is the Dinosaur National Monument in northeastern Utah and northwestern Colorado. Recently the House gave consent to enlarge the State boundaries of the park. The amendment that is proposed here has to do with the question of whether or not there will be possible future water resource development within the park area. We are in disagreement on this matter and we ask for a conference.

Mr. GROSS. Mr. Speaker, further reserving the right to object, this does not add any money to this proposition?

Mr. ASPINALL. The gentleman is absolutely correct.

Mr. GROSS. Moneywise it is as it left the House; is that correct?

Mr. ASPINALL. That is correct.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? The Chair hears none, and appoints the following conferees: MESSRS. ASPINALL, O'BRIEN of New York, SAYLOR, CHENOWETH, and Mrs. FROST.

#### NAVAJO TRIBE

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8295) to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, after "works", insert "except the Reservoir Canyon and Moencopi Tuba project works."

Page 1, line 5, after "constructed", insert "or under construction".

Page 2, line 3, after "Tribe", insert "Provided further, That the exclusion of Reservoir Canyon and Moencopi Tuba project works from the scope of this Act shall not be construed to affect in any way present ownership of or rights to use the land and water thereof".

Page 2, line 19, strike out "Moupi" and insert "Moqui".

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### STIMULATING THE PRODUCTION AND CONSERVATION OF COAL

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3375) to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, after "shall" insert "establish within the Department of the Interior an Office of Coal Research, and through such Office shall".

Page 2, after line 19, insert:

"Sec. 3. (a) Any advisory committee appointed under the provisions of this Act shall keep minutes of each meeting, which shall contain as a minimum (1) the name of each person attending such meeting, (2) a copy of the agenda, and (3) a record of all votes or polls taken during the meeting."

"(b) A copy of any such minutes or of any report made by any such committee

after final action has been taken thereon by the Secretary shall be available to the public upon request and payment of the cost of furnishing such copy.

"(c) Members of any advisory committee appointed from private life under authority of this section shall each receive \$50 per diem when engaged in the actual performance of their duties as a member of such advisory committee. Such members shall also be entitled to travel expenses and per diem in lieu of subsistence at the rates authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for all persons employed intermittently as consultants or experts receiving compensation on a per diem basis.

"(d) Service by an individual as a member of such an advisory committee shall not subject him to the provisions of section 1914 of title 18 of the United States Code, or, except with respect to a particular matter which directly involves the Office of Coal Research or in which the Office of Coal Research is directly interested, to the provisions of sections 281, 283, or 284 of that title or of section 190 of the Revised Statutes (5 U.S.C. 99)."

Page 2, after line 19, insert:

"Sec. 4. The Secretary may appoint a Director of Coal Research without regard to the provisions of the civil service laws, or the Classification Act of 1949, as amended. Section 107(a) of the Federal Executive Pay Act, as amended (5 U.S.C. 2206(a)), which prescribes an annual rate of basic compensation of \$17,500 for certain positions, is amended by adding at the end thereof the following paragraph:

"(23) Director of Coal Research, Department of the Interior."

Page 2, line 20, strike out "3" and insert "5".

Page 2, line 23, strike out "4" and insert "6".

Page 3, line 12, strike out "5" and insert "7".

Page 3, line 19, strike out "6" and insert "8".

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman if the appropriation for this purpose was increased.

Mr. ASPINALL. The appropriation was not increased. The appropriation is left just as it was.

Mr. GROSS. Was there any substantial change in the bill?

Mr. ASPINALL. No; there are no substantial changes in the bill. One of the amendments requires the Secretary of the Interior to establish within the Department of the Interior the Office of Coal Research. This simply places in the law the requirement already agreed to in earlier communications with our committee.

Mr. GROSS. That proposition was in the bill that was vetoed—what, a year ago?

Mr. ASPINALL. No. The gentleman is mistaken in that respect. The bill that was vetoed before was a bill that set up a special commission. This bill does not set up a special commission. This bill simply states in the Senate amendment that there shall be within the Department of the Interior a special officer charged with this responsibility.

Mr. GROSS. I see. I thank the gentleman.

I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### AIRLINE PRIVILEGES

Mr. WILLIAMS. Mr. Speaker, I call up the conference report on the bill (H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation for certain additional persons, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

#### CONFERENCE REPORT (H. REPT. No. 2018)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: Restore the matter proposed to be stricken out by the Senate amendment, omit the matter proposed to be inserted by the Senate amendment, and on page 2, line 1, of the House engrossed bill, immediately after "employees" and before the parenthesis, insert the following: "who are receiving retirement benefits from any air carrier or foreign air carrier"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In the matter proposed to be inserted by the Senate amendment insert, on page 1, line 5, of the Senate engrossed amendments, immediately before "result", the following: "direct"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "prescribe"; and the Senate agree to the same.

JOHN BELL WILLIAMS,  
MORGAN M. MOULDER,  
JOHN JARMAN,  
STEVEN B. DEROUNIAN,  
J. ARTHUR YOUNGER,

*Managers on the Part of the House.*

MIKE MONRONEY,  
CLAIR ENGLE  
(By MIKE MONRONEY),  
E. L. BARTLETT,  
ANDREW F. SCHOEPEL,  
THRUSTON B. MORTON,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4049) to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The House bill provided that air carriers and foreign air carriers subject to terms and conditions prescribed by the Civil Aeronautics Board, could furnish free or reduced-rate air transportation to their retired directors. The Senate amendment provided that only those retired directors who had served as directors at least 5 years could be furnished such free or reduced-rate transportation.

The committee of conference agreed to limit the granting of free or reduced-rate air transportation to those directors who are receiving retirement benefits from any air carrier or foreign air carrier.

The qualification of receiving retirement benefits from any air carrier or foreign air carrier will also apply to retired officers and employees.

Amendment No. 2: The Senate amendment provided that air carriers and foreign air carriers could furnish free or reduced-rate air transportation to the widow, widower, and minor child or children of any employee of any air carrier or foreign air carrier who died as a result of a personal injury sustained while in the performance of duty in the service of such air carrier or foreign air carrier. There was no similar provision in the House bill.

The conference agreement modifies the Senate amendment by providing that such free or reduced-rate transportation may be furnished only if the death of the employee concerned is a direct result, rather than an indirect result, of the personal injury sustained by such employee while in the performance of duty in the service of the air carrier or foreign air carrier.

Amendment No. 3: This amendment of the Senate is technical in nature and conforms the language of the House bill to the language of existing law. The House recedes.

Amendment No. 4: The House bill provided that any free air transportation for pleasure or vacation travel furnished under the bill should be furnished only on a space-available basis. The Senate amendment struck out this provision and inserted in lieu thereof a provision which permitted any air carrier to furnish, to military personnel in uniform and on official leave, free or reduced-rate air transportation between any point in Alaska or Hawaii and a point in any of the other States.

The conference agreement eliminates the provisions of both the House bill and the Senate amendment.

JOHN BELL WILLIAMS,  
MORGAN M. MOULDER,  
JOHN JARMAN,  
STEVEN B. DEROUNIAN,  
J. ARTHUR YOUNGER,

*Managers on the Part of the House.*

The SPEAKER. The question is on the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

#### COORDINATED SYSTEM OF TRANSPORTATION, NATIONAL CAPITAL REGION

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11135) to

aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? The Chair hears none, and appoints the following conferees: Messrs. McMILLAN, SMITH of Virginia, and BROYHILL.

#### DECLARATION OF ESTIMATED INCOME TAX BY FISHERMEN

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 1925) to extend to fishermen the same treatment accorded farmers in relation to estimated income tax, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the following provisions of the Internal Revenue Code of 1954 are amended by inserting "or fishing" after "from farming" each place it appears:*

(1) Section 6015(f) (relating to treatment of return as declaration or amendment).

(2) Section 6073(b) (relating to time for filing declarations of estimated income tax by individuals).

(3) Section 6153(b) (relating to installment payments of estimated income tax by individuals who are farmers).

(4) Subsections (b) and (d) (1) (C) of section 6654 (relating to additions to tax for failure by individual to pay estimated income tax).

(b) Section 6073(a) of the Internal Revenue Code of 1954 (relating to time for filing declarations of estimated income tax by individuals other than farmers) is amended by striking out "individuals not regarded as farmers" and inserting in lieu thereof: "individuals regarded as neither farmers nor fishermen".

(c) The headings to subsections (a) and (b) of section 6073, and subsection (b) of section 6153, of the Internal Revenue Code of 1954 are each amended by inserting "OR FISHERMEN" after "FARMERS".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to taxable years beginning after December 31, 1958.

With the following committee amendment:

Page 2, line 18, strike out "1958" and insert "1960".

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, the bill H.R. 1925, which was reported unanimously by the Committee on Ways and Means, extends to fishermen the same treatment accorded farmers in the matter of the payment of estimated income taxes.

The Congress has in the past recognized that farmers have peculiar problems compared to other businessmen with respect to declarations of estimated income tax. In many cases farm income is not known until late in the year when the sale of a fall crop is completed. In other cases there may be substantial income earned from a winter crop which would be on hand in the early part of the year which would provide a very inadequate basis for forecasting what would be the income and expenses for the remainder of the year.

It is the opinion of your committee that fishing operations are very similar to farming operations in this regard as well as others. Fishermen have been well described as the "farmers of the sea." It is frequently the case that income earned in the first part of the year is a very unsatisfactory basis for forecasting the years' income, and very frequently no income will be realized until very late in the year. For these reasons the committee bill includes the term "fishing" in the same provisions relating to the estimated income tax where the term "farming" appears.

With this change, this special rule will apply to individuals who obtain two-thirds of their income from farming or fishing. In lieu of the regular quarterly declarations of estimated income tax, these individuals will be permitted to make a declaration of estimated income by January 15 following the close of the taxable year when they are on the calendar year basis of reporting. In addition they will be permitted to file a corrected return by February 15 and have this return treated as an amendment to the declaration filed on January 15.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 1925 has as its purpose the extension to fishermen of the same treatment with respect to estimated income tax as is accorded under existing law to farmers.

Present law permits those who derive two-thirds or more of their income from farming to have certain reporting benefits with respect to estimated income. For example, a farmer may file an estimate by January 15 of the year following the taxable year and pay the full estimated tax then instead of making an estimate in April and paying quarterly installments. The principal reason for this special tax treatment is that income from farming is particularly difficult to estimate prior to the end of the taxable crop year or at least prior to the end of the principal crop season. Another important factor in granting to farmers this liberalized tax treatment is that income receipts tend more likely to be concentrated in the latter part of the year in the case of farming activity.

The Committee on Ways and Means in its consideration of this legislation, H.R. 1925, found that the reasons for granting such special tax treatment to farmers also applied in the case of individuals with income from fishing. For that reason it was the decision of the committee to treat fishermen in a manner similar to the way in which farmers are treated with respect to reporting their estimated income.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. BYRNES], the authors of the various bills and I be permitted to extend our remarks immediately prior to the passage of the various bills I am bringing up.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### CREDIT AGAINST ESTATE TAX FOR TAX

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 2397) to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 814 of the Internal Revenue Code of 1939 is hereby amended—*

(1) by striking out in subsection (a) of such section "December 31, 1951" and inserting in lieu thereof "December 31, 1949";

(2) by striking out "within two years" wherever appearing in subsections (a) and (b) of such section and inserting in lieu thereof "after December 31, 1947 and within three years"; and

(3) by adding at the end of subsection (c) of such section the following new paragraph:

"(3) REDUCTION OF CREDIT IN CERTAIN CASES.—If the transferor predeceased the decedent by more than two years, the credit shall be 80 percent of the amount determined under subsections (b) and (c) (1) and (2)."

SEC. 2. A timely claim based upon a deduction for property previously taxed under section 812(c) of the Internal Revenue Code of 1939 may be deemed to be a claim based upon a credit for prior taxed property under section 814 of such Act as amended by the first section of this Act.

SEC. 3. No interest shall be allowed or paid on any overpayment resulting from the enactment of this Act.

Mr. MILLS. Mr. Speaker, the bill, H.R. 2397, which was reported unanimously by the Committee on Ways and Means, would amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947.

Section 812(c) of the Internal Revenue Code of 1939 provided a deduction in computing estate tax, as distinguished from a credit, for the value of property left to a decedent within 5 years of his death if such property had been taxed as a part of the estate of the donor-decedent or had been subject to gift tax. However, because of difficulties

presented by the interrelationship of section 812(c) and the marital deduction provided by section 812(e), no deduction for prior-taxed property was allowed to the extent that property in question exceeded 50 percent of the decedent's estate and had been acquired from the decedent's spouse. As a result, double taxation resulted where more than 50 percent of the decedent's estate was acquired from his spouse, because no marital deduction had been allowed to the extent of the excess over 50 percent. To eliminate this double taxation, the 1954 Code in section 2013 provided a credit, which was in turn extended to estates of decedents dying after December 31, 1951, and before August 16, 1954, by Public Law 417, 84th Congress.

H.R. 2397 will extend the treatment provided by Public Law 417 to the estates of decedents dying after December 31, 1949, in cases where the death of the husband or wife of the decedent occurred within 3 years of the decedent's death but after December 31, 1947. By so doing, H.R. 2397 will eliminate cases of hardship which have come to the attention of the Committee on Ways and Means since the enactment of Public Law 417.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 2397 which has just been approved by the House would amend section 814 of the Internal Revenue Code of 1939 pertaining to a credit against the Federal estate tax for Federal estate taxes paid on prior transfers. As a result of the changes that would be made by the bill the credit for tax on prior transfers granted by section 814 would be available where the deaths of a husband and wife occur within 3 years of each other, but only where the first decedent died after December 31, 1947.

During the consideration of this bill the Committee on Ways and Means was informed that its enactment would result in a negligible loss of revenue.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### ANNUITIES TO WIDOWS OF TAX COURT JUDGES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8732) to amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection C of chapter 76 of the Internal Revenue Code of 1954 (relating to the Tax Court of the United States) is hereby*

*amended by adding immediately following section 7447 the following new section:*

"Sec. 7748. Annuities to widows and certain dependents of judges.

"(a) DEFINITIONS.—For purposes of this section—

"(1) The term 'Tax Court' means the Tax Court of the United States.

"(2) The term 'judge' means the chief judge or a judge of the Tax Court, including any individual receiving retired pay (or compensation in lieu of retired pay) under section 7447 or under section 1106 of the Internal Revenue Code of 1939 whether or not performing judicial duties pursuant to section 7447(c) or pursuant to section 1106 (d) of the Internal Revenue Code of 1939.

"(3) The term 'chief judge' means the chief judge of the Tax Court.

"(4) The term 'judge's salary' means the salary of a judge received under section 7443(c), retired pay received under section 7447(d), and compensation (in lieu of retired pay) received under section 7447(c).

"(5) The term 'survivors annuity fund' means the Tax Court judges survivors annuity fund established by this section.

"(6) The term 'widow' means a surviving wife of an individual, who either (A) shall have been married to such individual for at least 2 years immediately preceding his death or (B) is the mother of issue by such marriage, and who has not remarried.

"(7) The term 'dependent child' means an unmarried child, including a dependent stepchild or an adopted child, who is under the age of 18 years or who because of physical or mental disability is incapable of self-support.

"(8) The term 'dependent parent' means a surviving father or mother of an individual, who, at the time of such individual's death, was receiving at least half of his or her support from such individual.

"(b) ELECTION.—Any judge may by written election filed with the chief judge within 6 months after the date on which he takes office after appointment or any reappointment, or within 6 months after the date upon which he first becomes eligible for retirement under section 7447(b), or within 6 months after the enactment of this section, bring himself within the purview of this section, except that, in the case of such an election by the chief judge, the election shall be filed as prescribed by the Tax Court subject to the preceding requirements as to the time of filing.

"(c) SALARY DEDUCTIONS.—There shall be deducted and withheld from the salary of each judge electing under subsection (b) a sum equal to 3 percent of such judge's salary. The amounts so deducted and withheld from such judge's salary shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States to the credit of a fund to be known as the 'Tax Court judges survivors annuity fund' and said fund is appropriated for the payment of annuities, refunds, and allowances as provided by this section. Each judge electing under subsection (b) shall be deemed thereby to consent and agree to the deductions from his salary as provided in this subsection, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all judicial services rendered by such judge during the period covered by such payment, except the right to the benefits to which he or his survivors shall be entitled under the provisions of this section.

"(d) DEPOSITS IN SURVIVORS ANNUITY FUND.—Each judge electing under subsection (b) shall deposit, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on

December 31 of each year, to the credit of the survivors annuity fund, a sum equal to 3 percent of his judge's salary and of his basic salary, pay, or compensation for service as a Senator, Representative, Delegate or Resident Commissioner in Congress, and for any other civilian service within the purview of section 3 of the Civil Service Retirement Act (5 U.S.C. 2253). Each such judge may elect to make such deposits in installments during the continuance of his service as a judge in such amount and under such conditions as may be determined in each instance by the chief judge. Notwithstanding the failure of a judge to make such deposit, credit shall be allowed for the service rendered, but the annuity of the widow or dependent parent of such judge shall be reduced by an amount equal to 10 percent of the amount of such deposit, computed as of the date of the death of such judge, unless such widow or dependent parent shall elect to eliminate such service entirely from credit under subsection (n), except that no deposit shall be required from a judge for any year with respect to which deductions from his salary were actually made under the Civil Service Retirement Act and no deposit shall be required for any honorable service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

"(e) INVESTMENT OF SURVIVORS ANNUITY FUND.—The Secretary of the Treasury shall invest from time to time, in interest-bearing securities of the United States or Federal farm loan bonds, such portions of the survivors annuity fund as in his judgment may not be immediately required for the payment of the annuities, refunds, and allowances as provided in this section. The income derived from such investments shall constitute a part of said fund for the purpose of paying annuities and of carrying out the provisions of subsections (g), (h), and (j).

"(f) CREDITING OF DEPOSITS.—The amount deposited by or deducted and withheld from the salary of each judge electing to bring himself within the purview of this section for credit to the survivors annuity fund shall be credited to an individual account of such judge.

"(g) TERMINATION OF SERVICE.—If the service of any judge electing under subsection (b) terminates other than pursuant to the provisions of section 7447 or other than pursuant to section 1106 of the Internal Revenue Code of 1939, the amount credited to his individual account, together with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of his relinquishment of office, shall be returned to him. For the purpose of this section, the service of any judge electing under subsection (b) who is not reappointed following expiration of his term but who, at the time of such expiration, is eligible for and elects to receive retired pay under section 7447 shall be deemed to have terminated pursuant to said section.

"(h) ENTITLEMENT TO ANNUITY.—In case any judge electing under subsection (b) shall die while a judge after having rendered at least 5 years of civilian service computed as prescribed in subsection (n), for the last 5 years of which the salary deductions provided for by subsection (c) or the deposits required by subsection (d) have actually been made or the salary deductions required by the Civil Service Retirement Act have actually been made—

"(1) if such judge is survived by a widow but not by a dependent child, there shall be paid to such widow an annuity beginning with the day of the death of the judge or following the widow's attainment of the age of 50 years, whichever is the later, in an amount computed as provided in subsection (m); or

"(2) if such judge is survived by a widow and a dependent child or children, there shall be paid to such widow an immediate annuity in an amount computed as provided in subsection (m), and there shall also be paid to or on behalf of each such child an immediate annuity equal to one-half the amount of the annuity of such widow, but not to exceed \$900 per year divided by the number of such children or \$360 per year, whichever is lesser; or

"(3) if such judge leaves no surviving widow or widower but leaves a surviving dependent child or children, there shall be paid to or on behalf of each such child an immediate annuity equal to the amount of the annuity to which such widow would have been entitled under paragraph (2) of this subsection had she survived, but not to exceed \$480 per year; or

"(4) if such judge leaves no surviving widow or widower and leaves no surviving dependent children but leaves a surviving dependent parent, there shall be paid to such parent an annuity beginning with the date of the death of the judge or following the parent's attainment of the age of 65 years, whichever is the later, in an amount equal to the annuity of a widow computed as provided in subsection (m), except that, where two parents are so entitled, each such parent shall be paid an annuity in an amount equal to one-half such widow's annuity.

"The annuity payable to a widow or dependent parent under this subsection shall be terminable upon such widow's or parent's death or remarriage. The annuity payable to a child under this subsection shall be terminable upon (A) his attaining the age of 18 years, (B) his marriage, or (C) his death, whichever first occurs, except that if such child is incapable of self-support by reason of mental or physical disability his annuity shall be terminable only upon death, marriage, or recovery from such disability. In case of the death of a widow of a judge leaving a dependent child or children of the judge surviving her, the annuity of such child or children shall be recomputed and paid as provided in paragraph (3) of this subsection. In any case in which the annuity of a dependent child or parent is terminated under this subsection, the annuities of any remaining dependent child or children or parent, based upon the service of the same judge, shall be recomputed and paid as though the child or parent whose annuity was so terminated had not survived such judge.

"(1) DETERMINATION OF DEPENDENCY AND DISABILITY.—Questions of dependency and disability arising under this section shall be determined by the chief judge subject to review only by the Tax Court, the decision of which shall be final and conclusive. The chief judge may order or direct at any time such medical or other examinations as he shall deem necessary to determine the facts relative to the nature and degree of disability of any dependent child who is an annuitant or applicant for annuity under this section, and may suspend or deny any such annuity for failure to submit to any examination so ordered or directed.

"(j) PAYMENTS IN CERTAIN CASES.—

"(1) In any case in which—

"(A) a judge electing under subsection (b) shall die while in office (whether in regular active service or retired from such service under section 7447), before having rendered 5 years of civilian service computed as prescribed in subsection (n), or after having rendered 5 years of such civilian service but without a survivor or survivors entitled to annuity benefits provided by subsection (h), or

"(B) the right of all persons entitled to annuity under subsection (h) based on the service of such judge shall terminate before a valid claim therefor shall have been established,

the total amount credited to the individual account of such judge, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of the death of such judge, shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date title to the payment arises, in the following order of precedence, and such payment shall be a bar to recovery by any other person:

"(i) to the beneficiary or beneficiaries whom the judge may have designated by a writing filed prior to his death with the chief judge, except that in the case of the chief judge such designation shall be by a writing filed by him, prior to his death, as prescribed by the Tax Court;

"(ii) if there be no such beneficiary, to the widow of such judge;

"(iii) if none of the above, to the child or children of such judge and the descendants of any deceased children by representation;

"(iv) if none of the above, to the parents of such judge or the survivor of them;

"(v) if none of the above, to the duly appointed executor or administrator of the estate of such judge; and

"(vi) if none of the above, to such other next of kin of such judge as may be determined by the chief judge to be entitled under the laws of the domicile of such judge at the time of his death.

Determination as to the widow, child, or parent of a judge for the purposes of this paragraph shall be made by the chief judge without regard to the definition of these terms stated in subsection (a).

"(2) In any case in which the annuities of all persons entitled to annuity based upon the service of a judge shall terminate before the aggregate amount of annuity paid equals the total amount credited to the individual account of such judge, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of the death of such judge, the difference shall be paid upon establishment of a valid claim therefor, in the order of precedence prescribed in paragraph (1).

"(3) Any accrued annuity remaining unpaid upon the termination (other than by death) of the annuity of any person based upon the service of a judge shall be paid to such person. Any accrued annuity remaining unpaid upon the death of any person receiving annuity based upon the service of a judge shall be paid, upon the establishment of a valid claim therefor, in the following order of precedence:

"(A) to the duly appointed executor or administrator of the estate of such person;

"(B) if there is no such executor or administrator payment may be made, after the expiration of thirty days from the date of the death of such person, to such individual or individuals as may appear in the judgment of the chief judge to be legally entitled thereto, and such payment shall be a bar to recovery by any other individual.

"(k) PAYMENTS TO PERSONS UNDER LEGAL DISABILITY.—Where any payment under this section is to be made to a minor, or to a person mentally incompetent or under other legal disability adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of such claimant or is otherwise legally vested with the care of the claimant or his estate. Where no guardian or other fiduciary of the person under legal disability has been appointed under the laws of the State of residence of the claimant, the chief judge shall determine the person who is otherwise legally vested with the care of the claimant or his estate.

"(l) METHOD OF PAYMENTS OF ANNUITIES.—Annuities granted under the terms of this

section shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued. None of the moneys mentioned in this section shall be assignable, either in law or in equity, or subject to execution, levy, attachment, garnishment, or other legal process.

"(m) COMPUTATION OF ANNUITIES.—The annuity of the widow of a judge electing under subsection (b) shall be an amount equal to the sum of (1)  $1\frac{1}{4}$  percent of the average annual salary received by such judge for judicial service and any other prior allowable service during the last 5 years of such service prior to his death, or prior to his receiving retired pay under section 7447(d), whichever first occurs, multiplied by the sum of his years of judicial service, his years of prior allowable service as a Senator, Representative, Delegate, or Resident Commissioner in Congress, his years of prior allowable service performed as a member of the Armed Forces of the United States, and his years, not exceeding fifteen, of prior allowable service within the purview of section 3 of the Civil Service Retirement Act (5 U.S.C. 2253), and (2) three-fourths of 1 percent of such average annual salary multiplied by his years of any other prior allowable service, but such annuity, reduced in accordance with subsection (d), if applicable, shall not exceed  $37\frac{1}{2}$  percent of such average annual salary.

"(n) INCLUDIBLE SERVICE.—Subject to the provisions of subsection (d), the years of service of a judge which are allowable as the basis for calculating the amount of the annuity of his widow or other dependent shall include his years of service as a member of the United States Board of Tax Appeals and as a judge of the Tax Court, his years of service as a Senator, Representative, Delegate, or Resident Commissioner in Congress, his years of active service as a member of the Armed Forces of the United States not exceeding 5 years in the aggregate and not including any such service for which credit is allowed for the purposes of retirement or retired pay under any other provision of law, and his years of any other civilian service within the purview of section 3 of the Civil Service Retirement Act (5 U.S.C. 2253).

"(o) SIMULTANEOUS ENTITLEMENT.—Nothing contained in this section shall be construed to prevent a widow eligible therefor from simultaneously receiving an annuity under this section and any annuity to which she would otherwise be entitled under any other law without regard to this section, but in computing such other annuity service used in the computation of her annuity under this section shall not be credited.

"(p) ESTIMATES OF EXPENDITURES.—The chief judge shall submit to the Bureau of the Budget annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the survivors annuity fund, and such supplemental and deficiency estimates as may be required from time to time for the same purposes, according to law. The chief judge shall cause periodic examinations of the survivors annuity fund to be made by an actuary, who may be an actuary employed by another department of the Government temporarily assigned for the purpose, and whose findings and recommendations shall be transmitted by the chief judge to the Tax Court.

"(q) TRANSITIONAL PROVISION.—In the case of a judge who dies within 6 months after the date of enactment of this Act after having rendered at least 5 years of civilian service computed as prescribed in subsection (n), but without having made an election as provided in subsection (b), an annuity shall be paid to his widow and surviving dependents as is provided in this section, as if such judge had elected on the day of his death to

bring himself within the purview of this section but had not made the deposit provided for by subsection (d). An annuity shall be payable under this section computed upon the basis of the actual length of service as a judge and other allowable service of the judge and subject to the reduction required by subsection (d) even though no deposit has been made, as required by subsection (h) with respect to any of such service.

"(r) **WAIVER OF CIVIL SERVICE BENEFITS.**—Any judge electing under subsection (b) shall, at the time of such election, waive all benefits under the Civil Service Retirement Act. Such a waiver shall be made in the same manner and shall have the same force and effect as a waiver filed under section 7447(g)(3).

"(s) **AUTHORIZATION OF APPROPRIATION.**—Funds necessary to carry out the provisions of this Act may be appropriated out of any money in the Treasury not otherwise appropriated."

With the following committee amendments:

Page 2, lines 1 and 2, strike out "AND CERTAIN DEPENDENTS" and insert "AND DEPENDENT CHILDREN".

Page 3, strike out lines 8 to 11, inclusive.  
Page 5, line 8, strike out "or dependent parent".

Page 5, line 11, strike out "or dependent parent".

Page 8, line 2, strike out "year; or" and insert "year".

Page 8, strike out line 3 and all that follows through line 13.

Page 8, line 14, strike out "or dependent parent".

Page 8, line 16, strike out "or parent's".

Page 9, line 2, strike out "or parent".

Page 9, line 4, strike out "or parent".

Page 9, line 6, strike out "or parent".

Page 16, line 17, strike out "Act" and insert "section".

Page 16, after line 19, insert:

"SEC. 2. The table of sections for part I of subchapter C of chapter 76 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"SEC. 7448. Annuities to widows and dependent children of judges."

The committee amendments were agreed to.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 8732, as reported by the Committee on Ways and Means, is to provide a system of annuities for the surviving widows and dependent children of the judges of the Tax Court of the United States.

In 1953, Congress provided a retirement system for judges of the Tax Court of the United States—Public Law 219, 83d Congress. That system was incorporated in what is now section 7447 of the Internal Revenue Code of 1954. The retirement system in question was enacted in recognition of the fact that the Civil Service Retirement System was inadequate and unsatisfactory for Tax Court judges, since the particular qualifications for appointment require that they be men of maturity and experience prior to entering service, which would result in their receiving an inadequate civil service annuity in the usual case. The retirement system in effect since 1953 provides that a judge may retire after 18 years' service or after reaching the age of 70 if he had at least 10 years' service. Retired pay is the same as active pay if the judge retires after 24 years'

service. Retired pay upon retirement with less than 24 years' service is a lesser amount. Retired judges may be recalled to active service, for which they receive full pay.

In 1956, Congress provided a survivor annuity system for members of the judiciary generally, including judges of the district courts of the territories who serve for a term of years. That system includes judges of the courts of appeal, the district courts, the Court of Claims, the Court of Customs and Patent Appeals, the Customs Court, and the Court of Military Appeals. A special system covers the Supreme Court. Of the Federal courts, the Tax Court of the United States alone remains without an adequate system of survivorship protection.

Judges of the Tax Court today must depend upon the civil service retirement system for survivorship protection. As in the case of retirement protection, this system is inadequate to the needs of the judges. The benefits of the civil service system are keyed to career employees who have served as such for most of their working lives. Judges, on the other hand, typically are not appointed to the bench until a relatively late point in their professional careers. Thus, generally they are unable to build up an adequate level of survivorship benefits under the civil service system. Not only is the present absence of an adequate survivorship system a hardship insofar as the judges now on the court are concerned but it also imposes serious problems in attracting qualified individuals to accept appointment to the court.

The pending bill, which was introduced by our colleague on the Committee on Ways and Means, the Honorable ARNOLD J. FORAND, provides for judges of the Tax Court the same survivorship protection as is already in effect for judges of the other Federal courts, with such minor, technical modifications as have proven necessary in view of certain differences in the situation of the Tax Court. The amendments adopted by the committee eliminate the provision of annuities in the case of dependent parents, since no provision is made for such a category of dependents in the existing judicial survivorship system.

Under the bill, Tax Court judges may within 6 months after taking office—either after appointment or reappointment—or within 6 months after the date of becoming eligible for retirement under section 7447(b) of the 1954 code, or within 6 months after date of enactment, elect to come under the system. Once such an election has been made, contributions of the judge at the rate of 3 percent of salary will be withheld from his salary and upon his death his widow and surviving dependent children will receive annuities. The annuity in each case will depend upon the years of public service of the judge. Provision is made for deposits into the Tax Court judges survivors annuity fund by the judge with respect to prior years' service. Such deposits will be based at the rate of 3 percent of the salary received in such prior years, plus interest. In case of failure of a judge to make such deposits with respect to prior service, the

bill provides for a reduction in the amount of the annuity.

The maximum annuity payable to a widow under the system is 37½ percent of the judge's average annual salary received during the last 5 years prior to his death, or prior to his receiving retired pay under section 7447(d), whichever first occurs. The present salary of a Tax Court judge is \$22,500 per annum. Thus, assuming in a given case that the average annual salary for the computation of a widow's annuity is \$22,500, the maximum widow's annuity will be \$8,437.50. In order to attain such a maximum, the judge will have to have had at least 30 years of allowable service as defined in the bill. If such service had been on the Tax Court at the present salary, the total contributions of the judge over the 30-year period at the 3-percent rate would be \$20,250, without regard to any interest earned over the period involved.

The bill sets up a Tax Court judges survivors annuity fund into which the deposits of the judges electing coverage shall be made and from which the annuities shall be paid, and authorizes the appropriation of funds necessary to carry out its provisions.

All interested Government agencies favor the bill, as amended by the Committee on Ways and Means, and it was reported unanimously to the House by the committee.

Mr. BYRNES of Wisconsin. Mr. Speaker, the bill H.R. 8732 was unanimously reported by the Committee on Ways and Means with amendments and is intended to provide a system of annuities for the surviving widows and dependent children of the judges of the Tax Court of the United States.

Public Law 219 of the 83d Congress, approved August 7, 1953, established a retirement system for Tax Court judges. This system allows a judge to retire after 18 years service or after reaching age 70 if he has at least 10 years of service. In 1956 Congress created a survivor annuity system for members of the Federal Judiciary generally. This survivor annuity system includes judges of the Court of Customs and Patent Appeals, the Customs Court and the Court of Military Appeals. The Tax Court of the United States is the only Federal judicial body that now remains without a survivor annuity system.

At the present time judges of the Tax Court must rely upon the civil service retirement system for survivorship protection. The civil service retirement system is keyed to career employees who for the most part devote most of their working lives to Federal service. Judges on the other hand are usually unable to build up an adequate level of survivorship benefits under the civil service retirement because their appointments to the bench typically do not occur until a relatively late point in their professional careers. Thus the importance of the provisions of this bill become apparent.

I will not undertake a detailed discussion of how the survivor annuity system provided under this legislation would operate. Such a detailed discussion is set forth in the committee report accompanying this legislation. I

would say, however, that H.R. 8732 would grant survivorship protection with respect to judges of the Tax Court in the same manner as is already in effect for judges of the other Federal courts with certain modifications that are necessary to adjust the system to the differences that exist in the situation of the Tax Court.

Mr. Speaker, I have joined with the distinguished chairman of the Committee on Ways and Means in supporting the House passage of H.R. 8723.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### REAL ESTATE INVESTMENT TRUSTS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill, H.R. 12559, to amend the Internal Revenue Code of 1954 to provide a special method of taxation for real estate investment trusts, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter M of chapter 1 of the Internal Revenue Code of 1954 is hereby amended as follows:*

#### SECTION 1. TAX TREATMENT OF REAL ESTATE INVESTMENT TRUSTS AND ASSOCIATIONS.

Subchapter M of chapter 1 (relating to regulated investment companies) is amended by adding at the end thereof the following:

##### "PART II—REAL ESTATE INVESTMENT TRUSTS

"Sec. 856. Definition of real estate investment trust.

"Sec. 857. Taxation of real estate investment trusts and their beneficiaries.

"Sec. 858. Dividends paid by real estate investment trust after close of taxable year.

##### "SEC. 856. DEFINITION OF REAL ESTATE INVESTMENT TRUST.

"(a) IN GENERAL.—For purposes of this subtitle, the term 'real estate investment trust' means an unincorporated trust or an unincorporated association—

"(1) which is managed by one or more trustees,

"(2) the beneficial ownership of which is evidenced by transferable shares, or by transferable certificates of beneficial interest;

"(3) which (but for the provisions of this part) would be taxable as a domestic corporation;

"(4) which does not hold any property primarily for sale to customers in the ordinary course of its trade or business;

"(5) the beneficial ownership of which is held by 100 or more persons;

"(6) which would not be a personal holding company (as defined in section 542) if all of its gross income constituted personal holding company income (as defined in section 543); and

"(7) which meets the requirements of subsection (c).

"(b) DETERMINATION OF STATUS.—The conditions described in paragraphs (1) to (4), inclusive, of subsection (a) must be met during the entire taxable year, and the condition described in paragraph (5) must exist during at least 335 days of a taxable year of 12 months, or during a proportionate part of a taxable year of less than 12 months.

"(c) LIMITATIONS.—A trust or association shall not be considered a real estate investment trust for any taxable year unless—

"(1) it files with its return for the taxable year an election to be a real estate investment trust or has made such election for a previous taxable year which began after December 31, 1960;

"(2) at least 90 percent of its gross income is derived from—

"(A) dividends;

"(B) interest;

"(C) rents from real property;

"(D) gain from the sale or other disposition of stock, securities, and real property (including interests in real property and interests in mortgages on real property); and

"(E) abatements and refunds of taxes on real property;

"(3) at least 75 percent of its gross income is derived from—

"(A) rents from real property;

"(B) interest on obligations secured by mortgages on real property or on interests in real property;

"(C) gain from the sale or other disposition of real property (including interests in real property and interests in mortgages on real property);

"(D) dividends or other distributions on, and gain from the sale or other disposition of, transferable share (or transferable certificates of beneficial interest) in other real estate investment trusts which meet the requirements of this part; and

"(E) abatements and refunds of taxes on real property;

"(4) less than 30 percent of its gross income is derived from the sale or other disposition of—

"(A) stock or securities held for less than 6 months; and

"(B) real property (including interests in real property) not compulsorily or involuntarily converted within the meaning of section 1033, held for less than 4 years;

"(5) at the close of each quarter of the taxable year—

"(A) at least 75 percent of the value of its total assets is represented by real estate assets, cash and cash items (including receivables), and Government securities; and

"(B) not more than 25 percent of the value of its total assets is represented by securities (other than those includible under subparagraph (A)) for purposes of this calculation limited in respect of any one issuer to an amount not greater in value than 5 percent of the value of the total assets of the trust and to not more than 10 percent of the outstanding voting securities of such issuer.

A real estate investment trust which meets the requirements of this paragraph at the close of any quarter shall not lose its status as a real estate investment trust because of a discrepancy during a subsequent quarter between the value of its various investments and such requirements unless such discrepancy exists immediately after the acquisition of any security or other property and is wholly or partly the result of such acquisition. A real estate investment trust which does not meet such requirements at the close of any quarter by reason of a discrepancy existing immediately after the acquisition of any security or other property which is wholly or partly the result of such acquisition during such quarter shall not lose its status for such quarter as a real estate investment trust if such discrepancy is elimi-

nated within 30 days after the close of such quarter and in such cases it shall be considered to have met such requirements at the close of such quarter for purposes of applying the preceding sentence.

"(6) For purposes of this part—

"(A) The term 'value' means, with respect to securities for which market quotations are readily available, the market value of such securities; and with respect to other securities and assets, fair value as determined in good faith by the trustees, except that in the case of securities of real estate investment trusts such fair value shall not exceed market value or asset value, whichever is higher.

"(B) The term 'real estate assets' means real property (including interests in real property and interests in mortgages on real property) and shares (or transferable certificates of beneficial interest) in other real estate investment trusts which meet the requirements of this part.

"(C) The term 'interest in real property' includes fee ownership and co-ownership of land or improvements thereon and leaseholds of land or improvements thereon, but does not include mineral, oil, or gas royalty interests.

"(D) All other terms shall have the same meaning as when used in the Investment Company Act of 1940, as amended.

"(d) RENTS FROM REAL PROPERTY DEFINED.—For purposes of paragraphs (2) and (3) of subsection (b), the term 'rents from real property' includes rents from interests in real property but does not include—

"(1) any amount received or accrued with respect to any real property, if the determination of such amount depends in whole or in part on the income or profits derived by any person from such property (except that any amount so received or accrued shall not be excluded from the term 'rents from real property' solely by reason of being based on a fixed percentage or percentages of receipts or sales);

"(2) any amount received or accrued directly or indirectly from any person if the real estate investment trust owns, directly or indirectly—

"(A) in the case of any person which is a corporation, stock of such person possessing 10 percent or more of the total combined voting power of all classes of stock entitled to vote, or 10 percent or more of the total number of shares of all classes of stock of such person; or

"(B) in the case of any person which is not a corporation, an interest of 10 percent or more in the assets or net profits of such person.

"(3) any amount received or accrued, directly or indirectly, with respect to any real property, if the trust or association furnishes or renders services to the tenants of such property, or manages or operates such property, other than through an independent contractor from whom the trust or association itself does not derive or receive any income. For purposes of this paragraph, the term 'independent contractor' means—

"(A) a person who does not own, directly or indirectly, more than 35 percent of the shares, or certificates of beneficial interest, in the real estate investment trust; or

"(B) a person, if a corporation, not more than 35 percent of the total combined voting power of whose stock (or 35 percent of the total shares of all classes of whose stock), or, if not a corporation, not more than 35 percent of the interest in whose assets or net profits is owned, directly or indirectly, by one or more persons owning 35 percent or more of the shares or certificates of beneficial interest in the trust.

For purposes of paragraphs (2) and (3) the rules prescribed by section 318(a) for determining the ownership of stock shall apply in determining the ownership of stock, assets

or net profits of any person; except that '10 percent' shall be substituted for '50 percent' in subparagraph (C) of section 318(a)(2).

**"SEC. 857. TAXATION OF REAL ESTATE INVESTMENT TRUSTS AND THEIR BENEFICIARIES.**

**"(a) REQUIREMENTS APPLICABLE TO REAL ESTATE INVESTMENT TRUSTS.**—The provisions of this part (other than subsection (d) of this section) shall not apply to a real estate investment trust for a taxable year unless—

"(1) the deduction for dividends paid during the taxable year (as defined in section 561, but without regard to capital gains dividends) equals or exceeds 90 percent of its real estate investment trust taxable income for the taxable year (determined without regard to subsection (b)(2)(C)), and

"(2) the real estate investment trust complies for such year with regulations prescribed by the Secretary or his delegate for the purpose of ascertaining the actual ownership of the outstanding shares, or certificates of beneficial interest, of such trust.

**"(b) METHOD OF TAXATION OF REAL ESTATE INVESTMENT TRUSTS AND HOLDERS OF SHARES OR CERTIFICATES OF BENEFICIAL INTEREST.**—

**"(1) IMPOSITION OF NORMAL TAX AND SURTAX ON REAL ESTATE INVESTMENT TRUSTS.**—There is hereby imposed for each taxable year on the real estate investment trust taxable income of every real estate investment trust a normal tax and surtax computed as provided in section 11, as though the real estate investment trust taxable income were the taxable income referred to in section 11. For purposes of computing the normal tax under section 11, the taxable income and the dividends paid deduction of such real estate investment trust for the taxable year (computed without regard to capital gains dividends) shall be reduced by the deduction provided by section 242 (relating to partially tax-exempt interest).

**"(2) REAL ESTATE INVESTMENT TRUST TAXABLE INCOME.**—For purposes of this part, the term 'real estate investment trust taxable income' means the taxable income of the real estate investment trust, adjusted as follows:

**"(A)** There shall be excluded the excess, if any, of the net long-term capital gain over the net short-term capital loss.

**"(B)** The deductions for corporations provided in part VIII (except section 248) of subchapter B (section 241 and following, relating to the deduction for dividends received, etc.) shall not be allowed.

**"(C)** The deduction for dividends paid (as defined in section 561) shall be allowed, but shall be computed without regard to capital gains dividends.

**"(D)** The taxable income shall be computed without regard to section 443(b) (relating to computation of tax on change of annual accounting period).

**"(E)** The net operating loss deduction provided in section 172 shall not be allowed.

**"(3) CAPITAL GAINS.**—

**"(A) IMPOSITION OF TAX.**—There is hereby imposed for each taxable year in the case of every real estate investment trust a tax of 25 percent of the excess, if any, of the net long-term capital gain over the sum of—

"(i) the net short-term capital loss; and

"(ii) the deduction for dividends paid (as defined in section 561) determined with reference to capital gains dividends only.

**"(B) TREATMENT OF CAPITAL GAIN DIVIDENDS BY SHAREHOLDERS.**—A capital gain dividend shall be treated by the shareholders or holders of beneficial interests as a gain from the sale or exchange of a capital asset held for more than 6 months.

**"(C) DEFINITION OF CAPITAL GAIN DIVIDEND.**—For purposes of this part, a capital gain dividend is any dividend, or part thereof, which is designated by the real estate investment trust as a capital gain dividend in a written notice mailed to its sharehold-

ers or holders of beneficial interests at any time before the expiration of 30 days after the close of its taxable year. If the aggregate amount so designated with respect to a taxable year of the trust (including capital gain dividends paid after the close of the taxable year described in section 858) is greater than the excess of the net long-term capital gain over the net short-term capital loss of the taxable year, the portion of each distribution which shall be a capital gain dividend shall be only that proportion of the amount so designated which such excess of the net long-term capital gain over the net short-term capital loss bears to the aggregate amount so designated.

**"(4) LOSS ON SALE OR EXCHANGE OF STOCK HELD LESS THAN 31 DAYS.**—If—

(A) under subparagraph (B) of paragraph (3) a shareholder of, or a holder of a beneficial interest in, a real estate investment trust is required, with respect to any share or beneficial interest, to treat any amount as a long-term capital gain, and

"(B) such share or interest is held by the taxpayer for less than 31 days,

then any loss on the sale or exchange of such share or interest shall, to the extent of the amount described in subparagraph (A) of this paragraph, be treated as loss from the sale or exchange of a capital asset held for more than 6 months. For purposes of this paragraph, the rules of section 246(c)(3) shall apply in determining whether any share of stock or beneficial interest has been held for less than 31 days; except that '30 days' shall be substituted for the number of days specified in subparagraph (B) of section 246(c)(3).

**"(C) RESTRICTIONS APPLICABLE TO DIVIDENDS RECEIVED FROM REAL ESTATE INVESTMENT TRUSTS.**—For purposes of section 34(a) (relating to credit for dividends received by individuals), section 116 (relating to an exclusion for dividends received by individuals) and section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

**"(D) EARNINGS AND PROFITS.**—The earnings and profits of a real estate investment trust for any taxable year (but not its accumulated earnings and profits) shall not be reduced by any amount which is not allowable as a deduction in computing its taxable income for such taxable year. For purposes of this subsection, the term 'real estate investment trust' includes a domestic unincorporated trust or association which is a real estate investment trust determined without regard to the requirements of subsection (a).

**"SEC. 858. DIVIDENDS PAID BY REAL ESTATE INVESTMENT TRUST AFTER CLOSE OF TAXABLE YEAR.**

**"(a) GENERAL RULE.**—For purposes of this part, if a real estate investment trust—

"(1) declares a dividend before the time prescribed by law for the filing of its return for a taxable year (including the period of any extension of time granted for filing such return), and

"(2) distributes the amount of such dividend to shareholders or holders of beneficial interests in the 12-month period following the close of such taxable year and not later than the date of the first regular dividend payment made after such declaration,

the amount so declared and distributed shall, to the extent the trust elects in such return in accordance with regulations prescribed by the Secretary or his delegate, be considered as having been paid during such taxable year, except as provided in subsections (b) and (c).

**"(b) RECEIPT BY SHAREHOLDER.**—Amounts to which subsection (a) applies shall be

treated as received by the shareholder or holder of a beneficial interest in the taxable year in which the distribution is made.

**"(c) NOTICE TO SHAREHOLDERS.**—In the case of amounts to which subsection (a) applies, any notice to shareholders or holders of beneficial interests required under this part with respect to such amounts shall be made not later than 30 days after the close of the taxable year in which the distribution is made."

**SEC. 2. TECHNICAL AMENDMENTS.**

(a) Subchapter M of chapter 1 is amended—

(1) by striking out the heading thereof and inserting in lieu thereof the following:

*"Subchapter M—Regulated investment companies and real estate investment trusts*

*"Part I. Regulated investment companies.*

*"Part II. Real estate investment trusts.*

*"PART I—REGULATED INVESTMENT COMPANIES";*

(2) by striking out "this subchapter" in sections 852(a) and 855(c) and inserting in lieu thereof "this part"; and

(3) by striking out "A capital gain dividend means" in section 852(b)(3)(C) and inserting in lieu thereof "For purposes of this part, a capital gain dividend is".

(b) The table of subchapters for chapter 1 is amended by inserting "and real estate investment trusts" after "Regulated investment companies".

(c) Section 11(d)(3) (relating to tax on corporations) is amended by inserting "and real estate investment trusts" after "regulated investment companies."

(d) Section 34(c) (relating to credit for dividends received by individuals) is amended by striking out the word "or" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or", and by adding at the end thereof the following new paragraph:

"(3) a real estate investment trust which, for the taxable year of the trust in which the dividend is paid, qualifies under part II of subchapter M (sec. 856 and following)."

(e) Section 116(b) (relating to an exclusion for dividends received by individuals) is amended by striking out the word "or" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or," and by adding at the end thereof the following new paragraph:

"(3) a real estate investment trust which, for the taxable year of the trust in which the dividend is paid, qualifies under part II of subchapter M (sec. 856 and following)."

(f) Section 243(c) (relating to deduction for dividends received by corporations) is amended by adding at the end thereof the following new paragraph:

"(3) any dividend received from a real estate investment trust which, for the taxable year of the trust in which the dividend is paid, qualifies under part II of subchapter M (sec. 856 and following) shall not be treated as a dividend."

(g) Section 318(b) (relating to constructive ownership of stock) is amended by striking out the word "and" at the end of paragraph (4), by striking out the period at the end of paragraph (5) and inserting in lieu thereof the following new paragraph:

"(6) section 856(d)(2) (relating to definition of rents from real property in the case of real estate investment trusts)."

(h) Section 443(d) (relating to computation of tax on change of annual accounting period) is amended by adding at the end thereof the following new paragraph:

"(5) the taxable income of a real estate investment trust, see section 857(b)(2)(D)."

(i) Section 1504(b)(6) (relating to consolidated returns) is amended by inserting "and real estate investment trusts" after "Regulated investment companies".

**SEC. 3. EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply only with respect to taxable years of real estate investment trusts beginning after December 31, 1960.

With the following committee amendments:

Page 1, strike out lines 3 and 4.  
Page 1, line 7, after "chapter 1" insert "of the Internal Revenue Code of 1954".

Page 4, line 16, strike out "share" and insert "shares".

Page 5, line 3, after "years;" insert "and".

Page 7, line 12, strike out "(b)," and insert "(c)."

Page 7, line 15, after "accrued" insert "directly or indirectly".

Page 8, line 9, strike out "person." and insert "person; and".

Page 8, lines 11 and 12, strike out "trust or association" and insert "real estate investment trust".

Page 8, line 15, strike out "or association".

Page 9, strike out lines 6 to 11, inclusive, and insert:

"For purposes of paragraphs (2) and (3), the rules prescribed by section 318(a) for determining the ownership of stock shall apply in determining the ownership of stock, assets, or net profits of any person; except that '10 percent' shall be substituted for '50 percent' in subparagraph (C) of section 318 (a) (2)."

Page 13, strike out line 23 and all that follows through line 18 on page 14, and insert:

"(c) **RESTRICTIONS APPLICABLE TO DIVIDENDS RECEIVED FROM REAL ESTATE INVESTMENT TRUSTS.**—For purposes of section 34 (a) (relating to credit for dividends received by individuals), section 116 (relating to an exclusion for dividends received by individuals), and section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

"(d) **EARNINGS AND PROFITS.**—The earnings and profits of a real estate investment trust for any taxable year (but not its accumulated earnings and profits) shall not be reduced by any amount which is not allowable as a deduction in computing its taxable income for such taxable year. For purposes of this subsection, the term 'real estate investment trust' includes a domestic unincorporated trust or association which is a real estate investment trust determined without regard to the requirements of subsection (a)."

Page 16, line 2, after "chapter 1" insert "of the Internal Revenue Code of 1954".

Page 16, line 15, after "chapter 1" insert "of such Code".

Page 16, strike out lines 16 and 17 and insert "by inserting—'and real estate investment trusts' after—'Regulated investment companies.'"

Page 16, line 18, after "Section 11(d) (3)" insert "of such Code".

Page 16, line 21, after "Section 34(c)" insert "of such Code".

Page 17, line 8, after "Section 116(b)" insert "of such Code".

Page 17, line 18, after "Section 243(c)" insert "of such Code".

Page 17, line 21, strike out "any" and insert "Any".

Page 18, line 1, after "Section 318(b)" insert "of such Code".

Page 18, strike out lines 7, 8, and 9, and insert:

"(6) section 856(d) (relating to definition of rents from real property in the case of real estate investment trusts)."

Page 18, line 10, after "Section 443(d)" insert "of such Code".

Page 18, strike out lines 13 and 14, and insert:

"(5) The taxable income of a real estate investment trust, see section 857(b) (2) (D)."

Page 18, line 15, after "Section 1504(b) (6)" insert "of such Code".

Page 18, strike out lines 18 and 19, and insert:

"SEC. 3. EFFECTIVE DATE.

"The amendments made by sections 1 and 2 of this Act shall apply with respect to".

The committee amendments were agreed to.

Mr. MILLS. Mr. Speaker, the bill H.R. 12559, which was reported unanimously by the Committee on Ways and Means, provides a special method of taxation for real estate investment trusts which follows the pattern of the special tax rules presently applicable to regulated investment companies under section 851 of the Internal Revenue Code. This bill has the approval of the Treasury and Commerce Departments. It was introduced by our colleague on the committee, the Honorable EUGENE J. KEOGH. A similar bill was also introduced by our colleague on the committee, the Honorable TOM CURTIS.

#### PRESENT LAW

Under present law, there are certain real estate investment trusts which have such a degree of centralized management and transferable certificates of ownership that they are treated under the tax law as an association taxable as a corporation. The result of this is that the income earned by the trust is subject to the full corporate tax although the principal purpose of the trust is merely to hold investment property for the beneficiaries of the trust.

#### REGULATED INVESTMENT COMPANIES

Under present law, a corporation may be organized as a regulated investment company under subchapter M of the Internal Revenue Code and the Investment Company Act of 1940. If these regulated investment companies hold diversified stock and bond investments and if they meet certain other statutory requirements, then they are permitted to take as a deduction against their corporate income the amount paid as dividends to shareholders. To qualify in any year, these dividend distributions must be at least 90 percent of taxable income. The essence of the various statutory requirements is that the regulated investment company be engaged in merely a passive investment activity and not in the active conduct of a trade or business. When a regulated investment company meets these various requirements it does not have to pay the corporate tax on income which is to be distributed to shareholders. The income is taxable in their hands only.

#### PROVISIONS OF BILL

The bill essentially permits real estate investment trusts to be treated in the same manner as regulated investment companies. A part II is added to subchapter M providing specific rules for real estate investment trusts. These new rules apply to a trust or an association which is taxable as a corporation provided that the beneficial ownership

is held by 100 or more persons and provided there is not sufficient concentration of ownership as to meet the personal holding company definition. At least 90 percent of the gross income must be from dividends, interest, rents or from sale of securities and real property and at least 75 percent of its gross income must come from real estate investment. In addition, the organization must meet a test requiring that at least 75 percent of its total assets must be represented by real estate, cash, and Government securities.

It is made clear in the bill that an organization will not qualify under these provisions if its rental income comes from the active conduct of a real estate business. The organization cannot hold real estate for sale to customers in the ordinary course of a trade or business and it may not render services to the tenants of its real property other than through an independent contractor from whom the organization does not receive any income.

It is provided in the bill that the real estate investment trust will be taxable generally as other corporations, except for this provision for a deduction for dividends paid to beneficiaries. The special capital gain dividend provisions applicable to regulated investment companies are also applied in the case of real estate investment trusts.

#### REASONS FOR THE BILL

The Committee on Ways and Means was of the opinion that not only would this bill provide equitable treatment of existing real estate investment trusts but it would provide a reasonable machinery whereby a large number of small investors would be able to make real estate investments without incurring the penalty of additional income tax at the corporate level. In the commercial real estate field, the size of the required investment makes it difficult to secure the necessary funds from one or two investors. The pooling of a large number of investors is necessary and it is reasonable to provide a technique for this pooling of investment funds without incurring an additional level of income taxes.

#### REVENUE EFFECT

As applied to existing trusts, it is estimated by the Treasury that the bill might involve a revenue loss between \$3 and \$7 million. If in the long run the bill substantially stimulates real estate investment activity, there would be offsetting revenue gains.

Mr. BYRNES of Wisconsin. Mr. Speaker, this legislation pertains to a legislative matter that has previously been approved by the House of Representatives. The legislation in its present form is acceptable to the Treasury Department.

H.R. 12559 would provide substantially the same tax treatment in the case of real estate investment trusts as present law extends to regulated investment companies. That is to say that a "conduit treatment" or "pass-through" would apply with respect to ordinary income of real estate investment companies

which is distributed to their shareholders so that the distributed earnings will be taxed only to the shareholders.

The provisions of the bill are designed so that qualification for this tax treatment will require that the income be clearly passive; that is, from real estate investments as distinguished from income received from the active operation of businesses involving real estate.

It is anticipated that this legislation will encourage the availability of funds for real estate purposes.

Mr. KEOGH. Mr. Speaker, I urge the enactment of H.R. 12559, which I have introduced, to provide a special method of taxation of real estate investment trusts. Similar legislation was introduced by my colleagues on the Ways and Means Committee, Representative CURTIS of Missouri and the late Representative Simpson, of Pennsylvania.

The bill was approved by the unanimous vote of the Ways and Means Committee, and the Treasury Department has no objection to its enactment. The primary reasons for this legislation are, first, to remedy an inequity in existing law, by extending to real estate investment trusts, having at least 90 percent of their gross income from purely passive investment, the same tax treatment that has been extended since 1936 to the mutual funds which receive and distribute corporate dividends and bond interest. This equality of tax treatment is accomplished by providing that if the real estate investment trust distributes 90 percent or more of its taxable income—other than capital gains—to its shareholders the trust will not be subjected to a tax on such distributed income. As the committee's report states, not only is it desirable to have equality of tax treatment of these two forms of pooling funds for passive investment, but it is also desirable to remove taxation to the extent possible as a factor in determining the relative size of investments in stocks and securities, on the one hand, and real estate equities and mortgages on the other. This bill will furnish a medium for the small investor to put his savings into rental real estate and real estate mortgages, by pooling his funds with those of many other investors, as he may do if he desires to invest in corporate stocks and bonds through the medium of buying shares in the mutual funds. Such a method of real estate investment is not open to the small investor today, except at the unattractive return caused by the levying of a corporate tax on the income of the real estate investment trust, which cuts the net return in half.

Another cogent reason for enactment of this legislation, closely allied with the first, is to alleviate the shortage of private capital and mortgage money for individual homes, apartment houses, office buildings, and hotels. The result of existing law is to keep the savings of these small investors out of investments of this type. Opening up a new source of such funds should be of inestimable value in the urban renewal program and in assistance to economically depressed areas.

The bill has been carefully drawn to prevent its use by speculators or by those

who might try to use it to get this "pass-through" treatment for income from active business operations, as contrasted with passive investment income. The statutory safeguards in this respect have been given careful study by the Treasury Department which, as I have said, indicates that it has no objection to the enactment of the bill in the form reported by our committee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### INFORMAL ENTRIES OF IMPORTED MERCHANDISE

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 9240) to amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed \$400, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object, how many such \$400 items does the gentleman anticipate will be brought in?

Mr. MILLS. I might say to the gentleman that this bill serves the purpose of eliminating an awful lot of redtape rather than affecting any appreciable amount of imports into the United States. There is a provision in existing law for the importation on this informal basis of merchandise that does not exceed \$250.

The bill proposes to make this \$400. We have been told by the Treasury that actually in the process of doing so there would be no effect whatsoever upon the collection of duty, that in reality we are saving considerable redtape and things of that sort. It does not really mean that there will be any resulting increase in the amount of imports that would come in through this. The committee received a report from all agencies of Government from which reports had been requested and those reports were favorable.

Mr. GROSS. I would not be surprised to see favorable reports coming from this administration in behalf of any bill to lower the tariffs.

Mr. MILLS. Here is the whole thing about it. The Secretary of the Treasury under this bill still retains the discretion to establish a lower ceiling. This is the outer limit. They can set a lower ceiling for the importation of these items.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

To amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed \$400.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 498(a)(1) of the Tariff Act of 1930, as amended (19 U.S.C. 1948(a)(1)), is amended by striking out "\$250" and inserting in lieu thereof "\$400."*

Mr. MILLS. Mr. Speaker, the purpose of H.R. 9240 is to amend section 498 of the Tariff Act of 1930, as amended, to permit the extension of the informal customs entry procedure to import shipments not exceeding \$400 in value.

Section 498(a)(1) of the Tariff Act of 1930 presently provides the Secretary of the Treasury with the authority to prescribe rules and regulations for the declaration and entry of merchandise, imported in the mails or otherwise, when the aggregate value of the shipment does not exceed \$250. The Secretary of the Treasury is authorized to establish, by regulation, ceilings within the \$250 limit for different classes or kinds of merchandise or different classes of transactions. Section 498(a)(1) permits informal customs entry to be made and obviates the requirement in section 484 of the Tariff Act of 1930, as amended, for formal customs entry. Formal entry must be made in writing by the consignee or his agent and must generally be accompanied by a certified invoice, a bill of lading, a statistical enumeration of all the goods in the shipment, a declaration, and other related documents. Informal entries require a shorter written form and less complicated customs procedures apply.

Section 498(a)(1) originally provided a \$100 limitation upon the value of imported merchandise that was permitted informal entry. Section 16(d) of the Customs Simplification Act of 1953 increased the figure from \$100 to \$250 and granted the Secretary of the Treasury the discretion to fix a lower ceiling for different types of merchandise and transactions. H.R. 9240 would change the \$250 figure to \$400.

Under the informal-entry procedure complex and cumbersome procedures are eliminated for small-value importations. The effect of the pending bill, which was introduced by our colleague, the Honorable PETER F. MACK, JR., would be to lessen the administrative burden on business firms and individuals when engaged in importing goods valued up to \$400. The Secretary of the Treasury would retain discretion to establish a lower ceiling for certain types of merchandise and transactions when circumstances warrant his doing so. The Committee on Ways and Means was advised that raising the limit to \$400 would not affect the amount of duties collected.

Favorable reports on this legislation were received from the Departments of State, Treasury, and Commerce, and an informative report from the U.S. Tariff Commission. The Committee on Ways and Means reported the bill to the House unanimously.

Mr. BYRNES of Wisconsin. Mr. Speaker, under existing law the Secretary of the Treasury is given authority pursuant to section 498(a)(1) of the Tariff Act of 1930 to prescribe rules and regulations for the declaration and entry of merchandise when the shipment does

not have an aggregate value in excess of \$250. Within the \$250 limit prescribed by statute the Secretary is also authorized to establish particular ceilings with respect to different classes or kinds of merchandise or different classes of transactions. Under this statutory authority provision has been made for the informal entry of certain imported merchandise. Such informal entries require a shorter written form and less complicated customs procedures than is the case with respect to formal entries which must be made in writing by the consignee or his agent and accompanied by a certified invoice, and other related documents.

The pertinent section of the Tariff Act originally provided a \$100 limitation on informal entries and this dollar figure was increased to \$250 by the Customs Simplification Act of 1953. The purpose of H.R. 9240 is to increase this dollar figure to \$400.

Favorable reports on this legislation were received from the Departments of State, Treasury, and Commerce, and an informative report was received from the U.S. Tariff Commission.

I join in urging the membership of the House to support its passage.

Mr. MACK. Mr. Speaker, I rise in support of my bill, H.R. 9240, to amend the Tariff Act of 1930 so as to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed \$400.

This is not a tariff cutting bill, Mr. Speaker. It could be accurately described as a redtape cutting measure for the relief of small businessmen.

If enacted, this bill would not change the amount of duty collected on imported merchandise. It would, however, eliminate a considerable amount of paperwork for jewelers and other small businessmen on small shipments of goods for retail sale. Tourists and travelers also would benefit from a higher informal entry limit.

The Department of Commerce, in its favorable report on my bill, explained that informal entries are distinguished from regular entries in that a short written form and less complicated customs procedures apply to shipments qualifying for informal entry.

The original ceiling of informal entries was \$100. This was increased to \$250 by the Customs Simplification Act of 1953. Although my bill would increase this limit to \$400, it is certainly true that there has been considerable price inflation since 1953. It is probable that a \$400 limit would permit a small businessman to use the informal entry method for about the same quantity of merchandise as was possible under the \$250 limit 7 years ago.

The informal entry method is particularly useful for shipments by mail. Such shipments are examined by customs officers and the amount of duty is ascertained. Then they are delivered by the postal service to the addressee who pays the duty and whatever tax may be applicable. In contrast, shipments over \$250 are mailed to the customs office nearest the addressee. The addressee is notified by mail that his shipment has

arrived. He or his authorized agent must appear personally at the customs office to file an entry with supporting invoice, entry bond and any other necessary documents. After payment of duties and taxes, the shipment then may be released.

Besides being less burdensome to the small businessman, the informal entry method, is much less expensive. Since many of the retailers affected operate on a small profit margin, the difference in importing costs is often the difference between profit or loss.

It is for these reasons, Mr. Speaker, that I urge the House to follow the unanimous recommendation of the Ways and Means Committee and pass this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### FREE ENTRY OF CERTAIN ELECTRON MICROSCOPES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11573) to provide for the duty-free importation of scientific equipment for educational or research purposes, which was unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 201 of the Tariff Act of 1930 (19 U.S.C. 1201) is amended by adding at the end thereof the following new paragraph:*

*"PAR. 1824. Subject to such regulations as the Secretary of the Treasury may prescribe, any scientific instrument or apparatus, or part thereof, imported by any college, academy, school, or seminary of learning, any society or institution established for the encouragement of the arts, science, or education, or any association of such organizations, if—*

*(1) the article is imported by such organization for its own use and not for sale or for any commercial use, and*

*(2) there is presented, to such officer or employee as is designated by the Secretary of the Treasury, an affidavit of a responsible officer of the importing organization that like or similar articles of equivalent scientific value are not manufactured in the United States."*

*(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption, after March 31, 1960.*

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

*"That the Secretary of the Treasury is authorized and directed to admit free of duty one electron microscope imported for the use of William Marsh Rice University of Houston, Tex., and one electron microscope imported for the use of the University of Colorado Medical Center, Denver, Colo."*

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 11573, as amended by the Committee on Ways and Means, is to permit the duty-free entry of an electron microscope for the use of the William Marsh Rice University of Houston, Tex., and an electron microscope for the use of the University of Colorado Medical Center, Denver, Colo.

Each of these two institutions has procured from abroad a highly specialized electron microscope for use in connection with their research and educational activities. In view of the general public interest in developing and advancing scientific research and inquiry, and because of the highly technical character of the research undertaken by these two institutions which necessitates the employment of advanced scientific apparatus, the committee is of the opinion that these institutions should not be burdened by the necessity of paying substantial import duties on the two electron microscopes which they have imported for use in their research programs.

This bill, which was introduced by our colleague on the Committee on Ways and Means, the Honorable FRANK IKARD, was reported by the committee unanimously to the House.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 11573, would permit the importation of highly specialized electron microscope equipment by the William Marsh Rice University of Houston, Tex., and the University of Colorado Medical Center, Denver, Colo., for use in connection with the research and educational activities.

Mr. Speaker, I believe it is appropriate in this instance to permit the duty-free importation of these instruments.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to provide for the free entry of an electron microscope for the use of William Marsh Rice University of Houston, Tex., and an electron microscope for the use of University of Colorado Medical Center, Denver, Colo."

The bill was passed.

A motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that in engrossing the bill the Clerk be instructed to correct the spelling of the word "microscope" both in the text and in the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

#### EXTENSION OF DUTY-FREE ALLOWANCES TO CREW MEMBERS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8576) to amend the Tariff Act of 1930 to extend to the residents of the United States who are crew members on vessels, aircraft, and other conveyances arriving in the United States, within specified limits, the same exemptions from duty on personal and

household articles as are granted passengers arriving on such conveyances, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph 1798(c) of the Tariff Act of 1930 is amended by adding at the end thereof the following new sentence:*

*"Any officer or crew member of a vessel, aircraft, or other vehicle or conveyance arriving from a foreign country shall, if he is a resident of the United States, be considered for purposes of this subparagraph as a returning resident arriving in the United States whether or not he intends to reship or otherwise continue in service on a vehicle or conveyance touching at foreign ports; but the aggregate value of the articles with respect to which an exemption may be claimed by any such officer or crew member under this subdivision (2) solely by reason of this sentence in any calendar year shall not exceed \$500."*

Sec. 2. The amendment made by the first section of this Act shall apply only with respect to articles declared on or after the thirtieth day following the date of the enactment of this Act.

With the following committee amendment:

Page 2, line 1, after "he" insert "or she".

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 8576, as amended by the Committee on Ways and Means, is to extend to officers and crew members of a vessel, aircraft, or other vehicle or conveyance arriving from a foreign country, who are residents of the United States, the same exemptions from duties and taxes on personal and household articles as are allowed residents of the United States returning from abroad, whether or not they intend to reship or otherwise continue in service on a vehicle or conveyance touching at foreign ports. The bill would authorize an annual duty-free allowance of \$500, which is similar to the duty-free allowance already in existence with respect to all other American travelers returning from abroad.

Under the provisions of paragraph 1798(c) of the Tariff Act of 1930, as amended, a resident of the United States returning to the United States from a foreign country is permitted duty-free entry for first, all personal and household effects taken abroad by him or for his account, and second, articles acquired abroad but not exceeding in aggregate value \$200, if such person has remained outside the United States for a period of not less than 48 hours and has not claimed such exemption within the 30 days immediately preceding his arrival, and \$300 in addition, if such person has remained outside the United States for a period of not less than 12 days and has not claimed such exemption within the 6 months immediately preceding his arrival.

The Customs Bureau has by regulation provided that crew members and officers of vessels, aircraft, and other conveyances arriving in the United States are not regarded as returning residents when their arrivals in the United States are only incidental to further foreign travel, and hence are not entitled to the exemptions applicable to returning residents under the provisions of paragraph 1798. They are entitled to the exemptions only when they leave the carrier on which they arrived in this country without the intention of reshipping on a carrier touching at foreign ports, or remain on or transfer to a conveyance which will proceed in nonforeign travel.

Under the pending bill, an officer or a crew member would be entitled each time he arrived in the United States, whether or not he or she intends to reship or otherwise continue in service on a vehicle or conveyance touching at foreign ports, to bring in free of duty all personal and household effects taken abroad by him or for his account as provided for in paragraph 1798(c) (1). In addition, such officer or crew member would be entitled to the privileges provided for relating to the duty-free importation of articles acquired abroad. The bill provides, however, that with respect to these privileges such officer or crew member cannot bring any articles free of duty and tax in aggregate value in excess of \$500 in any calendar year. A committee amendment was adopted to make clear that the provisions of the bill will be applicable to female as well as male officers and crew members.

The Committee on Ways and Means is of the opinion that officers and crew members of vessels and aircraft arriving in the United States should not be discriminated against in comparison with other returning residents with respect to their ability to exercise the duty-free allowance which is applicable today to all other Americans returning from abroad. By providing that such officers and crew members shall be able to exercise this privilege to the extent of only \$500 in any calendar year, abuse of the privilege will be avoided and reasonable parity of treatment will be accorded such officers and crew members. It should be noted, however, that the maximum allowance accorded under the pending legislation is less than the maximum allowance that is possible under existing law for other returning residents.

Favorable reports were received on H.R. 8576, which was introduced by our colleague on the Committee on Ways and Means, the Honorable HALE BOGGS, from the Departments of State and Commerce, as well as an informative report from the Tariff Commission. The committee reported the bill to the House unanimously.

Mr. BYRNES of Wisconsin. Mr. Speaker, under existing law and pursuant to Treasury regulations, crew members and officers of vessels, aircraft, and other conveyances arriving in the United States are not regarded as returning residents when such arrival is incidental to further foreign travel. The conse-

quence is that such individuals are not accorded the same exemptions from duties and taxes on personal and household articles as are allowed residents of the United States returning from abroad. The purpose of H.R. 8576 is to extend to officers and crew members in the category I have previously described an annual duty-free allowance of \$500 which is similar to the allowance already in existence for all other Americans returning from abroad.

Mr. Speaker, this bill should be enacted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### CAPTIVE NATIONS WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, all dictatorships are bad and all of them, sooner or later, become the curse of the people they dominate. No matter how highly motivated and well meaning they appear at their start, they invariably end up by causing more misery and misfortune to helpless people. This was certainly true in the case of Fascist and Nazi dictatorships, and, as we are learning today, it is even more true in the case of the Kremlin-inspired Communist dictatorship. Perhaps it is no exaggeration to say, in marking Captive Nations Week, that the Communist Soviet dictatorship has caused more suffering to more millions of innocent and helpless peoples than all other dictatorships known in human history. I am saying this with clear conscience and without doing any violence to sad but true facts. The curse of Soviet dictatorship extends today from the Baltic to Vladivostok, to the isles of northern Japan and to North Korea.

Since the end of the last war at least 100 million people have been placed, directly or indirectly, under the Soviet dictatorship, the preponderant majority of them being in Central, Eastern, and Southeastern Europe, in Estonia, Latvia and Lithuania, Czechoslovakia, East Germany and Poland, Albania, Bulgaria, Hungary, and Rumania. The industrious, stout-hearted and liberty-loving peoples in these countries were relatively free from dictatorships in their homelands. Many of them had regained their freedom at the end of the First World War, and they all were content with their lot. And then came the war, which was bad enough, and in which they all suffered immeasurably, in a degree beyond our imagination.

But what followed after the war proved even worse. Since the end of the war these countries have been drawn tightly within the Soviet domain, behind a veritable Iron Curtain, and there these peoples, in tens of millions, are

captives of their Communist dictatorships. Thus all of them constitute the captive nations.

The designation of this week as the Captive Nations Week is the wish of the people of this country, as enacted by Congress and as proclaimed by the President. It was my pleasure to introduce last year's resolutions in the House of Representatives. We shall continue to observe the third week of July each year until the last of these captive nations are free and are masters of their own destiny. I consider it both an honor and a duty to raise my voice once more on behalf of these captive nations, lending support to their struggle to free themselves from Communist totalitarian dictatorship.

#### PROBLEMS OF AMERICAN TEXTILE INDUSTRY

Mr. WHITENER. Mr. Speaker, I ask unanimous permission to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Speaker, since coming to the Congress I have been greatly interested in the problems affecting the American textile industry. As I represent a district in which is located the largest concentration of textile manufacturing plants in the Nation, I have been particularly interested in the effect that the importation of textile products is having on our domestic textile economy.

During the past several years we have witnessed a steady increase in the flow of foreign textiles to the United States. While some textile products have come from the European nations, the great bulk has come from Japan, India, Korea, Pakistan, Hong Kong, and even Formosa. The flow of foreign textiles to this country has reached an alarming state and threatens the very existence of our domestic textile industry.

I was greatly distressed, therefore, when I learned yesterday that the U.S. Tariff Commission had rejected by a vote of 4 to 2 the petition filed on June 29, 1959, by the National Cotton Council for relief from cotton textile imports under section 22 of the Agricultural Adjustment Act.

Mr. Speaker, it is inconceivable to me that the Tariff Commission should fail to take action to protect the American textile industry. During the past year imports of cotton cloth have increased from 164 million square yards to 497 million square yards. During the same period we have seen cotton yarn imports increase from 1 million pounds to 15 million pounds. There has been an increase during the past year of \$200 million in the value of all textile goods brought into this country.

It is apparent that the present national administration offers no hope for adequate relief for our domestic textile industry. The foreign policy of the United States to a great extent has been based upon our desire to trade Ameri-

can jobs and American industry for international political considerations. The time has come, Mr. Speaker, for this country to stop bartering the jobs of our people for questionable international political considerations. That policy is bankrupt for we have only to observe what has happened in Japan recently. We have given Japan the most favorable trade relations possible during the past 10 years, and I regret to say that the results have been disappointing.

It is imperative, therefore, that the Congress take affirmative and positive action to halt the increasing flow of textile imports. While many other of our basic American industries are experiencing extreme difficulty by reason of foreign competition, no industry is more hard pressed and more likely to face possible liquidation than is the American textile industry unless the Congress again resumes its constitutional authority over the foreign trade of the United States.

#### AMERICAN LEGION POST CITIZEN AWARD

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, some several days ago a young man, Stephen Bayne, of Westbury, N.Y., refused an American Legion Post Citizen Award to attend the 15th Annual Boys' Nation, which will be held in Washington, D.C., commencing July 22, 1960. In rejecting the Legion honor, young Bayne stated:

Wait . . . I refuse to accept an award from an organization I cannot respect.

Immediately thereafter, the leftwing press used young Bayne's unfortunate statement as a springboard from which to launch an attack against the American Legion. In my own hometown of Easton, Pa., the Easton Express editorially chastised our mayor, Hon. George S. Smith, because Mayor Smith, in an address before the Military Order of the Purple Heart, characterized the Stephen Bayne incident as "regrettable."

The citizenry of my hometown of Easton, however, is used to this type of an assault made by the leftwing Easton Express against any patriot who expresses himself on issues of fundamental Americanism.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address on the subject matter by Maurice Stember, department adjutant of the American Legion, department of New York, made at the Nassau County Convention of the American Legion, at Levittown on Saturday, June 25, 1960:

REMARKS BY MAURICE STEMBER, DEPARTMENT ADJUTANT OF THE AMERICAN LEGION, DEPARTMENT OF NEW YORK, MADE AT THE NASSAU COUNTY CONVENTION OF THE AMERICAN LEGION AT LEVITTOWN ON SATURDAY, JUNE 25, 1960

There is a segment of our society, including a few columnists and teenagers, who,

because they are uninformed, or do not care to learn the true character and purposes of the American Legion, occasionally break into print attacking the policies of our organization, as best illustrated by the recent incident that took place in Westbury, here in Nassau County. It is most unfortunate that a few columnists who have a great affinity for defending people and organizations that we regard as leftists seize upon the action of an immature youth to make a Roman holiday of it. They should be reminded that the American Legion is an organization of men who fought in three wars to maintain the kind of country in which a youngster can speak his own mind without fear of the Gestapo. The American system which guarantees the right to speak up also gives the same right to other people to speak their own mind and, if anyone has earned this right, the members of the American Legion have done so. They certainly deserve a tolerant attitude on the part of others, and good manners. That is not too much to expect.

In contrast to this group there are a great majority of people, maybe not honor students, but people with much more honor, who gave thanks that there were and still are men who believe in their God and their country and have joined together under the name of the American Legion.

The Legion has never been prone to compromise or evasion, whether in time of war or uneasy peace. There is no question as to where our organization's first allegiance lies or where its devotion centers. Its loyalty is not subject to debate for it is attested in the soil of 100 battlefields and pledged in the blood of thousands who died on them. We have as members the President and Vice President of the United States, 61 U.S. Senators, 241 Members of the House of Representatives, and 31 Governors of States.

The American Legion includes in its ranks more disabled veterans, more holders of the Congressional Medal of Honor and other decorations than all other organizations combined. Yet we are not old soldiers reminiscing and recalling empty shades of past glories. There does, however, exist among us an unspoken testament that we shall keep faith with the comrades we have known; those men who through pain and bitter sacrifice have learned a hard lesson that perhaps can be taught in no other way, and the lesson is this: The great battle of our age is not waged on land or on sea or in the air, but in the souls of men and the time of battle is not fixed, but is of continuing urgency.

It follows then that the defense of our homeland is basically anchored in the moral strength of the Nation, and it is for this reason that the Legion marshals its energies in the promotion of a sound patriotism. We have laid down a direct, hard-hitting diagnosis of the critical problem of our time and our country and this problem briefly is the gap which exists between the free world and communism, not in terms of armament and material achievement, but in terms of a spiritual dedication to a cause. Communism is a faith, a godless one. It has its own zeal and its own spirit of sacrifice and the question that the American Legion constantly poses is this: Can we counter their faith with one of our own? A faith must have an objective, it must be built upon convictions. If the object of our faith is material, then our faith differs little from the faith which has already gripped half the world in chains of tyranny. If, on the contrary, our faith is pointed to the God-given dignity which lifts man above beast, then there exists a barricade which can never be yielded to the enemy.

It is the American Legion's task to build that faith or rather to rebuild. For we had it once. It is woven through a national tradition which remembers the ragged Colonial

Army praying in the snow and a somber Lincoln proclaiming this to be a Nation under God.

Of that tradition, the American Legion is the heir and trustee and we have the moral courage to herald that tradition, to give it continued voice and to pledge to it an unashamed loyalty and devotion.

For taking strong positions, for emphasizing the value and virtue of loyalty and patriotism we have been called unkind names and otherwise attacked. But neither the violence of the language nor the source from which it emanates shall deter us from our belief. The American Legion will continue to focus attention on the blessings of our Nation's constitutional form of Government. We shall continue our nationwide oratorical program in which more than 5 million boys and girls have participated in competition, in which knowledge of the Nation's Constitution is the requirement. We shall continue our all-inclusive magnificent child welfare program wherein last year we spent alone over \$8 million.

We shall continue to raise our voice in strong opposition to any traffic with communism, with its denial of God's existence and its complete disregard for human dignity. We will continue and enlarge our great Boys' State program, wherein each summer we send thousands of outstanding high school boys to college campuses and other facilities to receive an intensive training in the operation of our form of government. We will always concern ourselves with the problem of veterans' rehabilitation, feeling that a soldier is a special person, and despite the sporadic attacks and incidents, we shall, as members of the American Legion, strive to keep alive the spirit of patriotism, of love of God and country. This is our purpose. This is our challenge. No one, but no one, shall swerve us from it.

#### PROBLEMS CONFRONTING THE UNITED STATES IN THE FIELD OF FOREIGN TRADE

The SPEAKER pro tempore. Under the previous order of the House the gentleman from New York [Mr. STRATTON] is recognized for 60 minutes.

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, I do not intend to take the full time allotted to me this evening. I appreciate the fact that the hour is late and that Members as well as those on our staff are anxious to conclude the day's work.

I have requested this time, Mr. Speaker, simply to draw attention on the part of the House as well as the Nation to the serious problem that confronts us in the field of foreign trade.

The announcement was made recently that the United States is going to sit down to tariff negotiations under the provisions of the Trade Agreements Extension Act of 1958 with other countries under the auspices of GATT, the General Agreement on Tariffs and Trade; and I understand the United States is prepared to offer concessions information about which has been released to the public and comments invited.

Mr. Speaker, I think this event is particularly inappropriate at this time, and

I know that a number of other Members of the House agree with me, because a very large number of Members have introduced resolutions identical to the one introduced by myself, House Concurrent Resolution 524, calling upon the administration, expressing the sense of Congress that any further tariff reductions should not be made in the forthcoming negotiations under the provisions of the Trade Agreements Extension Act.

Mr. Speaker, the reason for that is simply because of the very serious problems foreign imports have raised in our own economic and business life.

The so-called escape clause which was designed to protect domestic industry simply has not worked. That has been proved time and time again. Just a few weeks ago the glass industry failed in their efforts to invoke this provision and were told by the Tariff Commission that there just was not any ground for concluding that they had been hurt.

Only the other day, Mr. Speaker, the case of Japan came to our attention. We are aware that the Japanese who have probably done more to bring about the foreign import competition that is ruining our markets, were participants, and many of them took part in these activities, participants in riots which made it impossible for the President of the United States to carry out his good-will visit to Japan.

I do not go so far, Mr. Speaker, as to say we ought to institute a boycott against Japan, although some people in my district have been suggesting that, but I do say that the time has come when we should take a long look at our trade situation and recognize whether the circumstances of our trade policies today are actually such as to strengthen and help the country or whether they are doing precisely the opposite.

Mr. BERRY. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield.

Mr. BERRY. I want to commend the gentleman for taking this time to bring this matter to the attention of Congress. I hope more Members will continue to do this until Congress recesses or adjourns.

I would like, Mr. Speaker, to call attention to the fact that about 10 days ago the South Dakota Stockgrowers' Association passed a resolution at their meeting calling attention to the large imports of beef during the past few years. With the gentleman's indulgence I would like to read the four points emphasized in this resolution by the South Dakota Stockgrowers' Association:

1. Express its deep concern over the threat that hangs over the industry from imports;
2. Assert the need for a remedy under the escape clause of the Trade Agreements Act that is more certain and effective than current administration of the clause supplies;
3. Deplores the inclusion of products of the cattle industry in the list of items on which the United States offers further tariff reductions; and
4. Calls on the Congress to enact House Concurrent Resolution 512 or Senate Concurrent Resolution 104 expressing the sense of Congress that no further tariff reductions should be made at the present time.

This is in line with the remarks of the gentleman and certainly I want to commend the gentleman for the statements that he is making.

Mr. STRATTON. Mr. Speaker, I thank the gentleman from South Dakota for his remarks. I appreciate his support. He is one of the Members, of course, who has joined in this important legislation. I think the comments he has made it clear that the problem that we face is not a sectional problem; it is a problem that affects many districts and many parts of the Nation.

Mr. Speaker, as I said a moment ago, I think the important thing today is to take another long look at our trade policies. No one is opposed to foreign trade itself, but obviously we cannot carry out foreign trade at the expense of our domestic industries. That is what is happening now, and the existing procedure in law is inadequate to supply the remedies and the protection which the Congress intended should be incorporated in the law.

Fortunately, I think the remedy is at hand. This trade agreements matter is going to be up for reconsideration in the next Congress, and I feel, therefore, that the proper time for us to face up to these problems is in the next Congress when the legislation is before us for full consideration. I believe that is the time when we should take a full and a complete look at the matter.

It seems to me highly inappropriate that prior to that time there should be any action on the part of our Government which would complicate the situation and result in further threats to domestic industries by additional concessions, and I therefore urge, Mr. Speaker, that the House adopt the legislation which lies before us so that the administration will know plainly the sense of the Congress that no additional concessions shall be granted at this time but that all concessions should be deferred until the House in its wisdom can reexamine the old situation and build in a tighter set of protecting rules and regulations for American jobs for American men and women and for American industry which is certainly the intention of the Congress, but which unfortunately has not been the practice as the present law has been carried out.

[From the Washington Star, June 20, 1960]  
CHALLENGE TO U.S. RECIPROCAL TRADE POLICY  
(By Nelson A. Stitt, Director, United States-Japan Trade Council)

The recent threat of the Amalgamated Clothing Workers to boycott Japanese textiles and finished garments imported into the United States poses a serious challenge to our Government's reciprocal trade policy. By attributing its decision to unfair competition from low-wage countries which use sweated labor, the union has raised an issue which requires clarification.

As Secretary of Labor James P. Mitchell said recently in a speech before the Rotary International Convention in Miami Beach, "A straight hourly wage comparison is a deceptively simple and always erroneous measure of our competitive position." The Secretary went on to point out that fringe benefits added only 20 percent to the United States basic hourly wage bill as against 45 percent in France, 75 percent in Italy, and somewhere in between for most other coun-

tries. He cited a recent study which showed that while United States wage rates in steel production were more than three times hourly wage rates in Western European countries, when all production costs were figured in, American steel was produced at a total cost competitive with the total cost of any Western European country.

A country's wages must necessarily match the purchasing power of its currency and the general productivity of its economy. Much more important than direct wage costs in determining prices is the unit cost of production. The unit cost of production, as every businessman knows, results from variables (in addition to wages) such as capital investment per worker, managerial skills, cost of raw materials, supplies and power, quality of labor, volume of production, etc.

It does not follow that high wages mean high unit costs of production. If this were true, the United States would not be competitive in any product, rather than being, as we are, the world's leading exporter. In fact, our leading export industries pay higher wages than our import competing industries. Higher productivity in these industries more than offset high wages.

Certainly it is true that some United States industries do not enjoy a productivity advantage over foreign industries great enough to compensate for lower foreign wages, but to restrict imports on this basis is to sacrifice all gains from international trade, which depends on the principle of comparative advantage.

Japanese productivity ranges from one-tenth to one-half U.S. productivity, depending on the industry. One of the basic reasons for this is scarcity of capital. Smaller Japanese enterprises, having the least capital to invest, are the least efficient and have the lowest productivity.

Another factor which raises the total wage bill for the Japanese manufacturer is the necessity, because of long-sanctioned social customs, of carrying unneeded employees on his payroll as a form of unemployment insurance. Their presence adds to total labor costs and reduces productivity. High transportation costs of needed imported raw materials and high interest rates because of shortage of capital also add to Japanese production costs. If all these factors are combined, the original low-wage advantage of Japan is largely discounted.

The Japanese Government has fully subscribed to the proposition that international trade should not be based on social dumping. It agrees that importing countries have a right to expect that goods offered to them have been produced under working conditions not inferior to the national standard in the exporting country. To this end, Japan has one of the most comprehensive codes of labor standards and social welfare legislation in the world. In cases where wages in a particular industry in an exporting country are substandard in that country, remedies can be found through action in ILO or GATT.

Recognizing that a sudden large influx of certain imports can have a damaging effect, Japan has voluntarily limited exports to the United States of textiles and textile products to quantities which are a small percentage of U.S. domestic production.

An American producer who is truly hurt or threatened by low-cost imports can invoke the protection of the escape clause in our Tariff Act, under which the United States can modify or revoke tariff concessions if increased imports result in or even threaten serious injury. In these cases all factors, not just foreign wages, are taken into account. Serious injury is a traditional reason to protect U.S. producers, but the simple existence of low wages in the exporting country is not *prima facie* evidence of injury.

TRADE RELATIONS COUNCIL  
OF THE UNITED STATES, INC.,  
Washington, D.C., June 23, 1960.

HON. SAMUEL S. STRATTON,  
U.S. House of Representatives,  
Washington, D.C.

DEAR MR. STRATTON: As you previously expressed your interest in some aspects of our foreign trade policy, particularly the adverse effect of low-cost imports on domestic industry, I want to call your personal attention to the attached advertisement published by this council.

Since the Congress extended the Trade Agreements Act in 1958 (the statutory framework of our foreign trade policy), dynamic changes and shifts have taken place in international trade and in the economic position of the United States. As our statement indicates, spectacular increases in imports are occurring for many of the items listed for further tariff reductions. Equally large increases in imports are taking place for products on which import duties have been lowered previously. The deficit in our international balance of payments has grown to serious proportions.

In view of the current developments briefly referred to above and the prospect of additional rapid changes in the near future, we believe that additional tariff reductions by the United States are unwise and unnecessary. The Government might well concentrate on securing full reciprocal benefits from countries which have been taking full advantage of our tariff reductions on an unrestricted basis, and to making a thorough assessment of the impact of reduced tariffs and imports on domestic industry.

If we can be helpful in supplying you with any specific information on this subject, please call on me.

Sincerely yours,

H. B. McCoy,  
President.

[From the Wall Street Journal, June 20, 1960]

SLOW, MEN WORKING—CAUTION, DANGER  
AHEAD

(It's only common sense to slow down when you can't see the road ahead. And nobody knows what's ahead for American industries on the road to tariff reductions . . . except more trouble.)

Yes, there's trouble ahead for many American industries. And that means trouble for the people who depend on these industries for jobs. It is trouble in the form of new international negotiations for more cuts in U.S. tariffs.

The U.S. Government has just published a list of American products which may be placed on the official bargaining list when we and 36 other countries, all members of the General Agreement on Tariffs and Trade (GATT), get together at Geneva, Switzerland, early next year for another round of bargaining over tariffs and other trade matters.

ARE YOUR INTERESTS AFFECTED? HERE'S HOW  
TO FIND OUT

Get a copy of the Government list without delay. (If you wish, use the coupon on this page.) Naturally, look first of all for products that you make or sell. And be careful. In places the list is not specific. Your products may be hidden in a "basket clause" lumping together a group of products under a general heading.

After examining the list, if you cannot be sure if your interests are affected, get in touch with experts. Put your problem in the hands of someone well versed in the technicalities of tariff barter procedures; the Trade Relations Council, or your own trade association, will be glad to help you.

Remember, the burden of proofs is on you. It's up to you to (1) find out if a product you make or sell is tagged for tariff

cuts, and (2) present evidence to Government agencies that the proposed tariff adjustments threaten harm to your company and its workers.

Of course, you know conditions and trends and prospects in your own industry better than any outsider does, and you know whether your industry can afford to give tariff concessions in today's struggle for markets. But here are a few points you may want to keep in mind if you agree that this is a good time to make haste slowly in tariff bargaining.

OUR TARIFFS ARE ALREADY AMONG THE LOWEST  
IN THE WORLD

Only a few countries have lower customs duties than we do. Most of our biggest trading partners, just as highly industrialized as we are (thanks in large measure to the generosity of the American taxpayer via foreign aid), maintain higher tariffs than we do—and lots of other trade restrictions as well.

In fact, one recent study identified 36 different ways—not counting tariffs—that countries can discourage foreign trade and block unwelcome imports. According to that study, no less than 62 countries require import licenses; 46 require export licenses; 28 restrict incoming capital and 36 restrict outgoing capital; 23 have multiple rates of exchange; and 21 engage in preferential trading systems.

WE GIVE A LOT AND GET SHORTCHANGED IN  
RETURN

Often the United States has reduced its tariffs if other countries simply agree not to increase theirs. Sometimes other countries lower their tariffs on a so-called reciprocal basis—but continue using other types of restrictions against our goods. Here's how this inequality works:

In 1959 Great Britain shipped 210,494 passenger cars to this country, but took only 301 from us. West Germany sent us 205,799 cars, and took only 417 of ours. France shipped us 171,285 cars, and accepted 666 in return. We imported 46,629 cars from Italy, and sent 643 over there. Adding up, it turns out these countries sent us 634,207 cars—and took 2,027 U.S. cars.

WE ARE ALREADY SPENDING OVERSEAS \$3-\$4 BILLION  
A YEAR MORE THAN WE TAKE IN

In 1959 the United States spent \$3.7 billion more abroad than it earned. In 1958 the deficit amounted to \$3.4 billion. This has upset what the economists call our balance of payments, drained over \$3 billion out of our gold reserves in the last 2 years, and raised doubts around the free world about the soundness of the American dollar. Even our foreign friends agree we cannot continue running up losses like this indefinitely.

WE STILL DON'T KNOW HOW THE NEW TRADING  
BLOCS IN EUROPE WILL AFFECT US

The free nations of West Europe are split into two rival trading camps—the Common Market and the Free Trade Association. Both give favored treatment to their members. Both are still working out internal kinks, and will be for a long time. Both are composed largely of GATT member nations—but the tariff advantages they extend to each other discriminate against other GATT nations, including the United States.

The question is: How best can the United States deal with these rival blocs?

One thing is clear. We cannot bargain effectively with them until we know exactly how their tariff policies and procedures will affect us.

And obviously we cannot be expected to make a lot of tariff concessions at GATT's bargaining table, simply on promises that we will get concessions in return at some vague point in the future, after the new trade alliances have ironed out all their internal differences.

In short, the only sensible course open to us is to wait until the other parties decide how they are going to play the game. Then—and only then—will the United States be able to bargain realistically on a give-and-take basis.

Look what's already happened to imports of some of the products on the tariff barter list. Are American companies and workers who make these products "expendable"?

*Increase in value of imports, 1959 over 1954*  
[U.S. Government statistics]

	Percent
Automobiles.....	1,537
Carbon tetrachloride.....	2,305
Cash registers and parts.....	318
Cotton yarn.....	42
Ethers and esters.....	505
Eyeglasses and goggles.....	477
Files and rasps.....	152
Fishing tackle.....	333
Floor and wall tiles.....	1,513
Fountain pens.....	672
Hi-fi equipment.....	1,085
Linoleum.....	1,964
Machine tools (metal cutting and forming).....	97
Needles.....	376
Paper box machines.....	250
Plate glass.....	270
Rayon staple.....	75
Rivets.....	120
Selected sporting equipment.....	8,498
Shotguns.....	118
Steel beams and girders.....	91
Surgical instruments.....	69
Synthetic iron oxide and pigments.....	90
Wire rods.....	120

Here is a representative list of American industries whose products appear on the barter list. Is your industry among them? Abrasives, agricultural implements, airplanes, alcoholic beverages, alloy and tool steel, antifriction bearings, apparel, automotive equipment, batteries, bicycles, bottles and jars, brass and copper, brushes, buttons, candy, carpets, cattle, ceramics, chemicals, clocks, cordage, cutlery, dairy products, electrical explosives, fish, flavoring extracts, fruit, fur, furniture, glassware, gold leaf, hand tools, hats, iron and steel, lace, leather, linen, machinery, man-made fibers, meat, metal products, meters, mirrors, motorboats, musical instruments, nuts, optical, padlocks, paint, paper, pens and pencils, pharmaceuticals, phonographs, photographic goods, playing cards, razors, rubber, scientific instruments, scissors and shears, shoes, soap, soft drinks, sugar, textiles, textile machinery, thermostatic containers, toys, valves, vanadium, vegetables, vegetable oil, wire cloth, wood products.

#### FOUR STEPS TO TAKE

1. Get a copy of the bargaining list. Write or call the Committee for Reciprocity Information, Eighth and E Streets NW., Washington, D.C., or contact the Trade Relations Council.

2. Look for products that you make or sell. Learn what specific products are grouped in vague "basket clauses." For expert assistance, call on your own trade association or the Trade Relations Council.

3. If you object to the list as it now stands, present your views to—

The U.S. Tariff Commission, Eighth and E Streets NW., Washington, D.C.

The Committee for Reciprocity Information.

Both agencies will hold public hearings in Washington starting July 11. Written applications to appear must be filed by June 27. Ask your trade association or the Trade Relations Council to explain other rules governing these hearings.

4. Learn how the Trade Relations Council can serve you in many important ways.

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the gentleman

from Nebraska [Mr. CUNNINGHAM] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, the gentleman has done a real service to the country in making his remarks today. I would join with him in his sentiments.

Earlier this year, as I became concerned about the import situation, I introduced legislation which would express the sense of Congress that there be no reductions in tariffs at this time and that a report be made by an appropriate agency on other nations and their limits on U.S. exports so we may have this important information to guide us in the future.

As one who is concerned about the export of U.S. jobs and the import of low-priced foreign goods which affect most adversely virtually every segment of American industry, I hope that there will be no reduction in U.S. tariffs.

#### GENERAL LEAVE TO EXTEND REMARKS

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 3 legislative days in which to extend their remarks in the RECORD on the subject I have just discussed.

The SPEAKER pro tempore (Mr. O'BRIEN of New York). Is there objection to the request of the gentleman from New York?

There was no objection.

#### SUMMERFIELD, CONGRESS, AND POSTAL RATES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oregon [Mr. PORTER] is recognized for 30 minutes.

Mr. PORTER. Mr. Speaker, Postmaster General Summerfield blames Congress for not increasing postal rates this year. He claims that his Department has lost \$603 million this year.

As a member of the House Post Office and Civil Service Committee for 4 years, I want to take this opportunity to make it clear that the blame belongs on Mr. Summerfield's slippery political back.

I pause to interject that I have no objection to Mr. Summerfield being a politician. I do object to his being scoundrel, to his thumbing his nose at Congress and to his gross and intentional misrepresentations of the postal rate and deficit picture.

The Postmaster General in his prepared statement before the Post Office and Civil Service Committee May 10, 1960, demonstrated that he was aware of the law by saying:

In 1958, Congress again wrote this policy into its legislation, stating: "Postal rates and fees shall be adjusted from time to time to produce the amount of revenue approximately equal to the total cost of operating the postal establishment."

Then Summerfield, a former chairman of the National Republican Committee, declared, "But what Congress has written as policy and what it has actually done in these postwar years are two widely different things."

#### SUMMERFIELD VIOLATES LAW

If the Postal Policy Act of 1958 had criminal penalties for violation, Summerfield could be indicted and convicted. This was law primarily designed to separate the public service costs from the costs that should be charged to the other users. What the law requires and what Summerfield has done are two widely different things.

Summerfield told me in a hearing recently that the users of the mail should not have to pay for the cost of rate concessions granted by Congress as a matter of public service. Even so, he also told me that he could not carry out the provision in section 104 of the Postal Policy Act that requires him to deduct as public service costs the loss resulting from the operations of the star route system and third- and fourth-class post offices.

He had not done it. He was not going to do it. He said it could not be done. These were an integral part of the postal system, he said.

Yet in a congressional hearing the Department had testified that every time it closed a fourth-class post office the Government saved \$1,400. Moreover, through the cost-ascertainment system all sorts of cost allocations are made for postal operations.

#### NO DEDUCTIONS FOR PUBLIC SERVICE

These costs, however, along with other costs, such as the total cost of nonprofit—religious, fraternal, and charitable—mail were not figured, as the law required, nor of course were they deducted, as the law required. The Postmaster General's "deficit" would be considerably less than \$608 million if you took out the admitted \$100 million total cost of nonprofit second- and third-class mail.

There are 10,055 star routes, 13,142 third-class post offices, and 11,912 fourth-class post offices. These, according to the law, are public services and are to be paid for by the Treasury, not by the users of the mail through increased rates. Summerfield has not figured these costs, although the law requires him to do so.

Of the 39,000 post offices in the Nation, only 2,000 take in enough revenue to pay their own particular costs. In other words, 37,000 post offices do not pay their way. You can be sure that if private profit instead of public service was the principle on which the postal service was operated, many of these post offices would be closed.

Congress cannot responsibly increase rates if the Postmaster General refuses to obey the law and supply the public service costs which must first be subtracted before fair rates can be calculated.

I well remember how Summerfield violated another law 2 years ago, again one also without any penalty clause, when he intentionally overspent his appropriations and then came to Congress threatening to curtail service if he was not given additional funds.

What does he think of the public service aspect of his Department? He told Martin Agronsky recently on NBC-TV:

This public service gimmick, really what it amounts to substantially is—well, there

is some public service of course—is that it is more of a private subsidy for the big users of the mails of this country who use the mails principally for profit.

To Summerfield, public service is mostly gimmick, in spite of the Postal Policy Act of 1958 as cited above. He does admit there is some public service but he says it is more of a private subsidy for profit-hungry mail users.

#### REVIEW OF THE RATE SITUATION

Using Summerfield's highly suspect cost ascertainment figures—no others are available—let us review the rate situation. First-class mail he says pays 11 percent of its allocated costs, but he wants to raise it another cent anyway. That increase would bring in \$400 million additional revenue out of the pockets of these mail users.

As for second-class mail—newspapers and magazines—according to Summerfield they will be paying 26 percent of their allocated costs after their final rate increase—as provided by Congress in 1958—January 1, 1961. I filed a bill to increase second-class rates but when I saw how the Postmaster General had refused to obey the law and we had no way to make him obey, I recognized that no responsible rate increases could be computed on the basis of the information available.

There are vast differences in the service given various categories of second-class mail. Any responsible rate increase must reflect these differences.

As for third-class mail—circulars—after its most recent rate increase July 1, 1960, it will be paying, says Summerfield, 76 percent of its allocated costs. There are 260,000 holders of bulk third-class mail permits. The Postal Policy Act of 1958 rightly says that we must be concerned with the impact of rate increases. The fact is that we have no good information on this subject, even though the Department of Commerce submitted an extensive report in response to my suggestion last year.

In 1958 the Congress, Summerfield might recall, raised the 3-cent stamp to 4 cents, increased second-class rates 60 percent and third-class rates 67 percent, for a total of \$547 million. Third-class mail in 8 years has had its rates increased 150 percent.

#### SUMMERFIELD'S SHORTCOMINGS

Summerfield's bookkeeping is sloppy, his concept of public service dim and warped, and his contempt of Congress plain, repeated, and generally reciprocated.

A few years ago he suggested that second-class mail receive a 50-percent subsidy on the historical grounds that the distribution of printed matter was largely and historically a public service.

He also suggested that third-class mail pay only 75 percent of its allocated costs. I cite these suggestions to show that Summerfield's attitude changed when he became obsessed with the idea of taxing the mail users to pay for the public service aspect of postal service, an aspect definitely and plainly provided for by the Congress in the Postal Policy Act of 1958.

The users of the mail should be charged for the service they receive, not

the service others receive because Congress wants to help them for some reason. Only an arrogant and highly political Postmaster General makes it impossible for Congress to obtain the information we need for our computations.

The postal service right now receives in revenues 85 percent of its cost, far more than is recovered by the Department of Agriculture, the Department of Labor, or the Department of Commerce. Yet Summerfield continues to harp on his phony "deficit" figures.

#### NO ECONOMY—JUST PUBLIC RELATIONS

Summerfield would have done better to abide by the law and to have worked to make the postal service more efficient. He claims operating economies of almost \$400 million annually, yet budgeted expenditures in his term of office have gone up by almost \$1 billion—so where could there be a saving of \$400 million? The answer is that there is no such savings, but instead there are 25 public relations employees—22 more than when Summerfield came—and a fat contract with a Madison Avenue public relations firm, all at a cost of \$373,000 this fiscal year. Yesterday on the telephone I asked an executive of the New York public relations firm that has a contract with the Post Office Department, whether the firm had done any political work for Summerfield. His reply: "None to speak of." This is a matter where the laws possibly violated do have penalties. An investigation is being made.

As a car dealer or a politician, Arthur Summerfield may have his talents but as a Postmaster General his achievements have been small and his shortcomings massive. The Postmaster General can be in politics but he is not above the law.

#### REPORT TO THE PEOPLE OF THE SEVENTH CONGRESSIONAL DISTRICT OF LOUISIANA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Louisiana [Mr. THOMPSON] is recognized for 30 minutes.

Mr. THOMPSON of Louisiana. Mr. Speaker, I deem it a distinct honor to represent the people of my district, the Seventh Congressional District of Louisiana, in the U.S. Congress. To serve with the membership of this House the past 8 years is a privilege which I have enjoyed very much.

I feel that I have exerted every effort in the development of proper representation of the people of the Seventh District during my four terms as their Congressman. I have received every kind consideration from the membership of this body and through my efforts and the assistance of others, much has been accomplished for my people.

I wish to express my deep appreciation to the membership of this House for its generous assistance with the problems on which I have worked for my constituents; and especially do I want to thank the Louisiana delegation for the many times they have responded unselfishly with both time and effort in behalf of the people I represent. The

theory of a system of laws and not of men certainly was made a reality by the tireless and enlightened actions of patriots such as those with whom I have served in the Congress.

Of course, there are many problems still facing us. Some of them are local in nature, yet of national importance; and there are the greater problems affecting our very existence as a Nation of freemen, which some day, with the help of God, we hope to solve.

Some of the things which are particularly pressing at this time, Mr. Speaker, insofar as my people are concerned and matters on which I shall continue to work are the lowering of the great tax burden—which is now higher even than the taxes on many of the peoples we are assisting through our foreign-aid programs. We must help our farmers in order that they may take their proper place in our overall economy—without a prosperous farmer, we cannot long expect a prosperous America. We must continue our efforts to see that both labor and management are able to receive returns commensurate with their efforts. We must protect that great segment of our economy which is small business. We must continue to conserve and develop our natural resources to the ends that we will make the best use of these God-given bounties. We must develop more and better institutions of learning to see that every child receives the maximum of education to prepare himself for the day when he will assume our responsibilities.

My 8 years of service in the Congress have not been without accomplishments. As a result of my constituency's sending me back to Congress three successive terms after I was elected to the 83d Congress in 1952, I am now in a position of seniority on two major committees of the Congress—the Committee on Public Works and the Committee on Merchant Marine and Fisheries—to which bills regarding matters vital to my district and State are referred for consideration. Of the 22 Democrats on the Public Works Committee, I rank No. 8 in seniority. I am No. 4 on the Subcommittee on Flood Control, No. 3 on the Subcommittee on Watershed Development, and No. 8 on the Subcommittee on Roads of the Public Works Committee. I was on the Subcommittee on Public Buildings and Grounds during my first term on the Public Works Committee.

Of the 20 Democrats on the Committee on Merchant Marine and Fisheries, I rank No. 5 in seniority. I am No. 2 on the Subcommittee on Merchant Marine and No. 5 on the Subcommittee on Fisheries and Wildlife Conservation on this committee. Also, I have been chairman of a Special Subcommittee on Ocean Freight Forwarders during the 84th, 85th and 86th Congresses.

I know that because of my seniority on these important committees, I am now able to accomplish much more for my district and State than during my first terms in the Congress, and as my seniority grows on these committees, I can be of ever-increasing value to my

district. In my first term as a member of the Subcommittee on Public Buildings and Grounds of the Public Works Committee, I was instrumental in beginning the first projects of public buildings undertaken since the beginning of World War II. The legislation under which this nationwide building program was authorized was originally authored by me and is called the lease-purchase plan. Because of my efforts in these regards, I was able to have a \$2 million post office and Federal building approved for Lake Charles, La., which was the first such project in the United States to be approved and built since World War II. The dedication ceremonies for this building were held in February, this year.

My district and our State of Louisiana are blessed with much fresh water and many lakes and navigable streams. While these are a blessing to us and add to our wealth and recreation, they also present problems in the matter of flood control. I have worked untiringly for the better development of ports and waterways and have been successful in the accomplishment of long-needed flood control and drainage projects for our areas. One project on Bayou Courtableau alone will, no doubt, pay for itself by savings from flood damages which would otherwise occur. In connection with this project, plans are now being completed to enlarge the floodgates at Port Barre, on Bayou Courtableau, to accomplish a more effective job of stopping the flooding. These floodgates have helped the farmers greatly by controlling the water so that they may have water for their crops in dry seasons. This area has also developed into one of the finest fishing areas in the State.

I have been asked by many to make available a record of my efforts in behalf of my constituents and my accomplishments during the 8 years I have been their Congressman. I know of no more factual evidence to submit than some of the representations which have been made to me by letter and telegram from my constituents and others who know of my efforts, and quotations from editorials which have appeared in the newspapers of my district and State.

The following will give an indication of the general reaction to some of my efforts in connection with matters handled in the two committees of which I am a member:

U.S. HOUSE OF REPRESENTATIVES,  
June 22, 1960.

DEAR T. A.: I cannot let the 86th Congress close without letting you know how much I appreciate the assistance you have given to me and to the committee in our public works program.

I am particularly pleased with the fine record made by the subcommittees on which you serve. The biggest public works project in U.S. history—the construction of 41,000 miles of new interstate superhighways linking major cities, 200,000 miles of State highways, and 508,000 miles of rural roads, was initiated in our Subcommittee on Roads of which you are a valued member. It is gratifying to know that this huge new road program, which was the result of our committee deliberations, will help to bring farmers closer to their trading centers, give new op-

portunities to small business, and enable vacationing families to see the sights of the Nation with fewer traffic jams and fewer accidents.

Results of studies now under way will furnish a basis for future Federal-aid highway programs, and I look forward to having your assistance in these matters in the next Congress.

Just as important to your section of the country is the work of our Subcommittee on Flood Control, on which you hold membership, also. You made the fight for waterhyacinth control in Louisiana and were able to get the necessary appropriations to get the work started. Due to your good efforts, there are half a dozen projects in Louisiana included in the pending River and Harbor and Flood Control Omnibus Bill.

It was through your persistent efforts that a new post office and courthouse was authorized for Lake Charles, La.

Other items which you have secured for your district are a survey investigation of Lake Charles deep water channel and a watershed development project at Upper Bayou Nezpique.

You are a real credit to the Congress and to the district you represent and I am confident that the good people of Louisiana will see that you are reelected in November.

Sincerely,

CHARLES A. BUCKLEY,  
Member of Congress, Chairman, Committee on Public Works.

U.S. HOUSE OF REPRESENTATIVES,  
June 21, 1960.

DEAR COLLEAGUE: As this session of the 86th Congress draws to a close, I wish to express my appreciation for your cooperation in the activities of the Committee on Public Works.

You have given generously of your time and actively participated in all of the meetings of the committee and its subcommittees. Your services are needed now as never before. Your leadership both in committee and on the floor of the House in behalf of the interests of Louisiana has been commended by all.

Your cooperation on all public works projects has contributed to what I consider to be a commendable record of legislative achievement.

Sincerely yours,

GEORGE H. FALLON,  
Member of Congress.

U.S. HOUSE OF REPRESENTATIVES,  
July 17, 1957.

DEAR ASHTON: I am indeed grateful for the support you gave me in the committee today. I will always be mindful of your assistance. Command me.

Sincerely,

Bob,  
ROBERT E. JONES,  
Eighth District, Alabama.

U.S. HOUSE OF REPRESENTATIVES,  
June 11, 1960.

MY DEAR T. A.: We certainly missed you in committee today, though I full realize that you must take care of your campaign.

As I have told you on many occasions, we have no more valuable member of the Public Works Committee in the House than you. We have had some very trying sessions together, many complicated and serious problems to resolve, but through it all you have contributed substantially to all of our deliberations.

I am proud to count you as one of my close friends. During the 20 years and more I have been able to serve in Congress, I have seen many men come and go. It is my genuine and sincere wish that you will be re-

turned to your duties here by a greater majority than you have ever received in prior races.

If I could add a single word to your constituents, which would be helpful to you, I would gladly respond.

With warm good wishes, I am,  
Very sincerely yours,

Cliff,  
CLIFFORD DAVIS,  
Member of Congress (Tennessee).

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON MERCHANT MARINE  
AND FISHERIES,  
June 23, 1960.

DEAR T. A.: As this session draws to an end, I want to write and thank you for the cooperation and support you have given me as chairman of the Merchant Marine and Fisheries Committee. Your attention to the duties and responsibilities of the committee has been outstanding.

I particularly appreciate the efficient manner in which you presided over the Merchant Marine Subcommittee during my absence on several occasions when it was impossible for me to be present. Those of us who have observed your activities here in the House of Representatives know that you have conscientiously performed your duties with a high degree of statesmanship and efficiency.

There will be many problems before the House in the 87th Congress and I shall look forward to your wise counsel and assistance in the legislation that will come up.

With assurance of my high esteem, I am,  
Sincerely,

HERBERT C. BONNER,  
Chairman.

U.S. HOUSE OF REPRESENTATIVES,  
June 21, 1960.

DEAR ASHTON: As the 86th Congress hastens to a close, I want to commend you for your fine service in the House of Representatives.

As a ranking member of both the House Committees on Public Works and Merchant Marine and Fisheries, you are in a position of exceptional importance to the people of your native Louisiana. In your 8 years of congressional service, you have advanced, not only in terms of seniority, but in the esteem and respect of your colleagues. Your active interest and your ability, coupled with experience and the status born of seniority, have made you a particularly effective member of these committees and the House as a whole. I know the people of Louisiana's Seventh District recognize with gratitude the outstanding representation you have given them.

With all good wishes for the future, I am,

Sincerely,

CARL ALBERT,  
Member of Congress,  
Democratic Whip.

U.S. SENATE,  
February 19, 1960.

DEAR T. A.: \* \* \*

While it was not possible for us to participate in the dedication ceremonies, we are pleased that you were able to be present and to make a brief address. Certainly, T. A., you deserve great credit for your constant and vigorous fight to obtain construction of this major Federal facility. No one knows better than you the many obstacles which were sought to be placed in our way and to further prolong administrative procedures and the decision on the ultimate building of the Post Office and Federal Building. It is fortunate that the people of the area have an aggressive Congressman, particular-

ly one who is also a member of the House Committee on Public Works.

Sincerely yours,

ALLEN J. ELLENDER,  
U.S. Senator.  
RUSSELL B. LONG,  
U.S. Senator.

AMERICAN ASSOCIATION OF  
STATE HIGHWAY OFFICIALS,  
Washington, D.C., June 26, 1956.

DEAR SIR: We wish to express our sincere gratitude to you for the work that you did in connection with the Federal Aid Highway Act of 1956, which we know is a certainty.

Your hard work and comprehensive knowledge of the highway problems helped obtain a bill that is administratively good and adequate to start closing the wide gap between available facilities and ever-increasing traffic demands.

Your action in authorizing an enlarged program is a public service and gives us the opportunity to perform a needed public service. The problems at the local level in building the highways will be many, but we welcome the opportunities and challenges that your actions afford us.

Again we thank you for the confidence you have expressed in the highway departments and for the hard work that you have contributed in getting a good road bill.

Yours very truly,

A. E. JOHNSON,  
Executive Secretary.

AMERICAN TRUCKING  
ASSOCIATIONS, INC.,  
Washington, D.C., March 11, 1958.

MY DEAR MR. THOMPSON: I certainly appreciate your letter of March 5 with reference to the bill, H.R. 11085.

Thank you so much for your interest which in large measure was responsible for protecting the highway trust fund from this \$3½ million diversion.

Sincerely,

JOHN V. LAWRENCE,  
Managing Director.

VILLE PLATTE, LA., October 14, 1957.

DEAR SIR: My sincerest appreciation for your help in behalf of the Bayou Nezpique watershed protection project. I am sure it will be a big help to the community.

The best of luck and success always. When you are in Ville Platte, I would be glad to have you come and have a cup of coffee with me.

Sincerely,

DORESTAN FONTENOT.

MAMOU, LA., August 22, 1957.

The Rotary Club of Mamou offers its congratulations and gratitude for your valuable efforts on behalf the Bayou Nezpique watershed project.

ROTARY CLUB OF MAMOU,  
A. G. LAHAYE,  
Community Service Chairman.

VILLE PLATTE, LA., August 21, 1957.

Deeply appreciate your fine cooperation and hard work in getting Bayou Nezpique watershed plan approved by Public Works Committee of House and Senate. Realize without your untiring efforts this project would not have been approved. Again we express our sincere thanks and appreciation for the fine cooperation and hard work put forth to see this project approved for construction.

ONEAL L. FONTENOT.  
U. G. LAHAYE.  
EARL FONTENOT.  
RAY P. BREAUX.  
W. L. BRUNER.

[From the Alexandria Daily Town Talk, Apr. 22, 1959, and the Lake Charles American Press, Apr. 22, 1959]

Representative T. A. THOMPSON called today for a study to determine if parts of the proposed Bayou Nezpique watershed project in Allen and Evangeline Parishes, La., can be built and put into operation separately. \* \* \* THOMPSON discussed the project with D. A. Williams, soil conservation service administrator, at a hearing before the House Public Works Committee, of which Congressman THOMPSON is a senior member.

LAKE CHARLES, LA., August 16, 1957.

DEAR T. A.: Personally and as consulting engineer for the port, I wish to thank you for your help in getting approval for appropriations to reduce the backlog of deferred maintenance existing on the Lake Charles-Calcasieu River and ship pass channel. Many thanks for your effort in our behalf.

Sincerely yours,

ELMER E. SHUTTS.

[From the Lake Charles American Press, June 19, 1960]

The public works omnibus authorization bill—which includes \$17 million for deepening and widening the Calcasieu ship channel—was passed by the U.S. Senate Friday night.

Congressman T. A. THOMPSON said in Ville Platte last night that bill would go into a conference between the Senate and House subcommittees.

"I talked to the chairman of the House subcommittee," THOMPSON said, "and he assured me that the channel authorization would go through." The "hardest part," the Congressman said, was approval by the Bureau of the Budget, which came earlier in the week.

He said all that remained now was a "mere formality" of getting the bill signed by President Eisenhower.

U.S. HOUSE OF REPRESENTATIVES,

July 22, 1958.

DEAR T. A.: I was delighted to receive the news of the approval by the House Public Works Committee of my resolution calling for survey for Twelve-Mile Bayou. Your most able assistance is indeed appreciated and I thank you on behalf of myself and all the people in the Caddo area.

With regards, I am,

Sincerely yours,

OVERTON BROOKS,  
Member of Congress.

HOUSTON, TEX., September 8, 1959.

DEAR CONGRESSMAN THOMPSON: Thank you for your good work and assistance to the forwarding industry that resulted in both your committee and the House of Representatives approval of H.R. 8382 in the past session of Congress. Please be assured that your work and support is appreciated by all of our members. We are sorry for not thanking you again following final passage by the House, but we have been involved with trying to get the bill through the Senate and also deluged with accumulated work.

Sincerely yours,

J. P. HARLE,  
President, Texas Ocean Freight Forwarders Association.

BATON ROUGE, LA., August 22, 1957.

Due to illness I am unable to appear in person with Mr. Dumas but I would like to take this means of thanking you for your effort in behalf of the Devil Swamp project.

J. C. BUECHE,  
Member of the Greater Baton Rouge Port Commission.

DEAR TOMMY: Now that I'm checking out of Government, I want to say to you that it's been fun working with you. When I was a frequent visitor before the Merchant Marine and Fisheries Committee, you were always one to test my mettle, and I think you probably caused me to be a better witness as a result of your incisive questioning.

Good luck to you, and warm regards.

Cordially yours,

LOUIS S. ROTHCHILD,  
Under Secretary of Commerce for Transportation.

LAKE CHARLES, LA., February 27, 1959.

DEAR T. A.: I would like for you to know that your participation in the cornerstone ceremony of the new U.S. post office and courthouse at Lake Charles was greatly appreciated.

We should like for you to have these photographs that were taken during the event.

We understand that your personal efforts have been very important in securing this new facility for the community.

All best wishes.

Yours sincerely,

J. F. GARST,  
President, Association of Commerce.

[From the Lake Charles American Press, Feb. 20, 1959]

BUILDING CALLED MONUMENT TO U.S. SERVICES

The rising structure of the new Lake Charles post office and Federal court building today was described as a standing monument to the services that the Government owes the people. Voicing these sentiments was Seventh District Representative T. A. THOMPSON, of Ville Platte, who formally set the new building's cornerstone in place at 11 a.m. today. Congressman THOMPSON was one of the principals instrumental in securing the new local building. THOMPSON noted that the new post office construction is the first such building to be approved and built since World War II. "The Lake Charles post office and Federal court building is the thing I'm proudest of since I've been in office," the official said.

[From the Lake Charles American Press, Feb. 10, 1960]

The Lake Charles Federal building and post office was dedicated today as a symbol of the rapidly expanding industrial capacity of Lake Charles. Representative T. A. THOMPSON, principal speaker among the platform of city and Federal officials, disclosed at the ceremonies that the U.S. Army Corps of Engineers promised deepening and widening of the Lake Charles ship channel by the end of the year. \* \* \* Congressman THOMPSON told the guests, "It has taken us 50 years to get this new post office. We have had wonderful service here from the post office, but they did so under the worst possible conditions. This is the first major post office building approved by the Government since the end of World War II. Let's hope now that the Post Office Department does not raise postal rates. We should all demand more and better postal service. I hope they never make a profit from postal operations, but it [the Post Office Department] should be self-sustaining." The Congressman took note of the Air Force trailer used as a speaker's platform. "This was the same platform we had for the ground breaking and cornerstone ceremonies," he said, "and I hope we can still borrow it from the Air Force 5 or 10 years from now." On Tuesday, Secretary of the Air Force Dudley C. Sharp instructed the Strategic Air Command to send a geological team to Lake Charles to see if Chenault could be used as a missile site. They will, also, check the area north of here for

underground missile silo locations." In closing, THOMPSON noted that the General Services Administration had "found" the cash to pay for the new building, saving about \$500,000 interest under the old lease-purchase plan.

[From the Times Picayune, Feb. 7, 1959]

Representative T. A. THOMPSON of the Seventh District, member of the House Public Works Committee, has sent out a kind of SOS on the interstate highway program, saying that building will be sharply slowed unless Congress appropriates money directly or the gasoline tax for the trust fund is raised. He doesn't say what course he advocates to get the speed-up money.

[From the Times Picayune, May 31, 1959]  
THOMPSON'S ANSWER

I assure you that immediate increased taxes or appropriations from the Treasury to accommodate the stated need is far from the attitude I have always displayed. I was one of those who led the fight against the creation of a Federal corporation to implement the needed construction at a cost of excessive interest rates on revenue bonds. Even at that time, I was a strong advocate of starting the program with positive planning and providing money as it was needed for actual expenditures. I can assure you it is my purpose to see the Congress look into this program with the view in mind of accomplishing the much needed highways without further burdening the taxpayers unnecessarily.

[From the Times Picayune, June 28, 1959]

Veto of the public works appropriation bill really got under the skin of Representative T. A. THOMPSON of the Seventh Louisiana District. "It is unthinkable," said THOMPSON, "that President Eisenhower again should have vetoed the public works bill. If Congress does not override this unreasonable veto, the public should be aware that in the foreign aid appropriations bill there are nearly 100 new starts authorized in foreign countries for the protection of their resources. I will continue my fight to see that the public works bill is passed. I feel assured our people have nothing to worry about in the matter of flood control and navigation projects. I believe we will be successful in this third-round battle." The chief item of THOMPSON's concern is the \$500 million carried in the bill for the control of the water-hyacinth.

[From the De Quincy News, May 28, 1959, and the De Ridder Enterprise, May 29, 1959]

Congressman T. A. THOMPSON stated today that after several years of legislative battle for authorization and money, the U.S. Corps of Engineers is now proceeding with its fight against water-hyacinths. "All necessary contracts have been filed to insure coordination of efforts of State and Federal agencies, as provided by the (T. A.) Thompson bill. THOMPSON stated that damages incurred by water-hyacinths along our streams and navigable channels have cost Louisianians \$30 million each year. This program will require about 5 years of intensive work at a cost much less than total savings to our people.

LAKE CHARLES, LA., March 28, 1960.

DEAR T. A.: Thank you for telling me about the decisions in Washington authorizing the State department of highways to proceed on the bypass bridge at Lake Charles.

Your endeavors on this project have been greatly appreciated.

Your sincerely,

W. J. BOUDREAU,  
President, Association of Commerce.

LAKE CHARLES, LA., May 9, 1960.

DEAR T. A.: I was highly pleased \* \* \* with the information with reference to the approval of the 40 by 400 channel by the Board of Engineers, U.S. Army. Again we are indebted to you.

With all best wishes, I remain,

Sincerely yours,

ELMER E. SHUTTS.

[From Port of Lake Charles magazine, May 1960]

Congressman T. A. THOMPSON, of Louisiana, recently announced that approval has been given for a proposed new bridge, crossing Calcasieu River at Lake Charles. The bridge will cross the Calcasieu ship channel near the north end of Prien Lake across Indian Bay on the east side of the lake system.

The Calcasieu River bridge project had previously been disapproved. Thompson said that Secretary of Commerce Frederick Mueller is convinced this project had a higher priority than any other on the Louisiana interstate system, and this led to the final approval of the project in March.

[From the Shreveport Journal, Mar. 17, 1959]  
REPRESENTATIVE THOMPSON TO BE SPEAKER AT  
RRVA MEET

Representative T. ASHTON THOMPSON, of the Seventh District of Louisiana will be among prominent speakers at opening session of the 34th annual Red River Valley Association convention. \* \* \* THOMPSON will be part of the outstanding speaking program that will include other Members of Congress, national figures in flood control, water use, business and industry and representatives of the U.S. Army Corps of Engineers, and other Government agencies.

[From the Shreveport Times, Mar. 31, 1959]

He criticized the Federal Budget Bureau for cutting appropriations for public works. Accused Bureau of usurping congressional power. \* \* \* Criticism of the Federal Bureau was led by Representative T. A. THOMPSON, from Louisiana's Seventh District, who charged that, if the Bureau continues as it has "our public works will dry up on the vine."

NEW ORLEANS, LA., May 27, 1957.

DEAR MR. THOMPSON: Thank you very much for your letter of the 24th.

Our board of port commissioners certainly appreciate the cooperation you have been giving us and I want to thank you very much for all that you have done.

With kindest regards, I am,

Sincerely yours,

WILLIAM D. ROUSSEL.

GUEYDAN, LA., March 7, 1957.

HONORABLE SIR: I am happy to inform you that the U.S. Army Engineer Corps just completed the much needed and recently requested clean up operations of the Klondike Drainage Canal in the Parish of Cameron, La., and

On behalf of the Klondike community, permit me this means to thank you for the personal interest you took in this matter and in our community problem. Rest assured that your interest therein is appreciated by the entire community, and particularly by the writer.

If there is anything that our community can do to help you in any manner, you have but to write.

With kindest friendly regards, and best wishes, I remain,

PERCY DAVID.

WESTLAKE, LA., June 22, 1960.

DEAR REPRESENTATIVE THOMPSON: Your efforts in behalf of the widening and deepening of the Calcasieu River channel and pass, and your work which has culminated in the approval of that project are greatly appreciated.

The people of this area should feel very grateful for the removal of a bottleneck which threatened the economic growth of this area.

Yours very truly,

J. M. JONES,  
Manager, Refinery No. 3, Continental Oil Co.

[From the Beaumont Enterprise, Dec. 18, 1958]

LOUISIANA INTRACOASTAL SEAWAY ASSOCIATION  
MEETING

Four members of the Louisiana congressional delegation pledged their support of a proposed ship channel following the Intracoastal Canal during an areawide meeting—THOMPSON, a member of the Public Works Committee in the Lower Chamber (of the U.S. Congress) thought the waterway was justified from both economic and national defense angles. Its value in providing jobs for people forced to leave the farm was cited by the Congressman. He suggested the group compile the economic study and work with the delegation from Louisiana. THOMPSON estimated that a resolution from Congress directing an engineering study would be made not later than the second year of the next Congress.

OPELOUSAS, LA., June 21, 1956.

DEAR CONGRESSMAN: Since I seldom find time enough for personal correspondence but still wanted to write to you before election time, I am taking advantage of this opportunity to let you know how much I appreciate your good work and service to the people of this district in the private as well as the public realm.

Secondly, I want to thank you for the many things which you have been able to accomplish for the good of St. Landry Parish and the district as a whole. As parish engineer, I can fully appreciate the effort required and the results accomplished in getting the flood control gates for Bayou Courtableau in such a short period of time, comparatively speaking. In this and many other things I think you have proven yourself to be the type of man I like to have representing us in Washington, and will be interested in doing all that I can to help keep you there. You can count on my full support in the coming election.

With best wishes for success and highest personal regards, I remain,

Sincerely yours,

MORGAN J. GOUDEAU, Jr.,  
Parish Engineer.

I think it is generally known that I have waged a continuous battle for our cotton, rice, sweet potato and truck farmers and for the great cattle industry which is developing in Louisiana. I led the fight in the House in 1955 and was successful in getting an additional 39,000 acres for our rice farmers and 9,300 additional acres in 1956. I was able to have legislation passed in 1956 guaranteeing 475,094 acres for rice plantings in 1957 and 1958. I assisted in getting an additional 4,835 acres for our cotton farmers in 1956 and in having the cotton acreage frozen so that the farmers would know their acreage would not be further cut. My district is one of the great agricultural areas of the State, yet many of our

small farmers have suffered under the type of farm legislation developed by those who do not understand the plight of our Louisiana farmers. I have constantly engaged in efforts to help our farmers. I have managed to alleviate some of their hardship by having several of the parishes in my district declared "disaster areas" when crops failed because of lack of rainfall or because of flooding from too much rainfall. Through my efforts, thousands of needy families in my district have received and will continue to receive surplus commodities. Almost 50,000 persons in my district received groceries and other commodities which were available as surplus in May of this year, the last month for which records could be obtained by me.

I believe that a rigid price support of 90 percent of parity on basic commodities is the best approach that has been suggested yet to the farm problem. Parity is defined as meaning what a farmer should receive as compared to what he must pay out, and 90 percent means even less than everyone agrees he should get. I have interested myself in matters of agriculture because I feel that the farmers are the real backbone of our Nation. If the farm economy fails, other segments of our economy will surely follow. The result of this is unemployment of not only industrial workers but of those, also, who go from the farms to our cities to seek a means of livelihood. Rather than curtail our farm production, Mr. Speaker, I think the Federal Government should stress farm research and training in order that the ability to produce in sufficient quantities for the future is preserved.

I think we should, also, strive to develop more and better markets for our products. Too many times in the past our own markets have been overlooked and our governmental departments have actually participated in arranging sales and deliveries to other governments from foreign competitors in the face of a stated desire for our products. I have worked with others to obtain more funds for the various programs administered by the Department of Agriculture to assist our farmers and I shall continue my efforts.

I refer you to the following with reference to my efforts and accomplishments for our farming industry:

[From the Church Point News, March 1959]

Congressman T. A. THOMPSON stated today that he has been advised that the rice subcommittee of the Committee on Agriculture will hold hearings in Washington on March 11-12 to determine why rice movements under Public Law 480 have been slow.

[From the Daily World, Opelousas, La., May 8, 1960]

Congressman T. A. THOMPSON said he was very glad to learn today that the Public Law 480 agreement with India had been signed. He feels this exchange of 17 million tons of surplus U.S. wheat and rice for \$1.3 billion worth of Indian rupees over the next 4 years will benefit both India and the United States.

Even though nearly 100 percent of the rice raised in Louisiana is sold on the market and is not placed under Government

loan, I know the Louisiana rice industry is happy that this 4-year rice purchase agreement with India has been finalized.

[From the Times Picayune, Oct. 19]

Agriculture Commissioner Sidney McCrory said Saturday his office is taking steps to obtain aid for the State's ailing sweetpotato industry. \* \* \* McCrory said, "I have, also, been advised that through the efforts of Representative T. A. THOMPSON, a Federal official from Washington will make a survey of the appropriate areas within the immediate future." The district THOMPSON represents embraces much of the sweetpotato producing area.

[From Port of Lake Charles magazine, March-April 1955]

The program to advertise and publicize rice to the United States in an effort to raise the national consumption, thereby lowering the huge surplus of this commodity, received an important assist from Louisiana Congressman T. A. THOMPSON.

The energetic Representative initiated a one-man public relations job, recently in Washington, to educate consumers in the Nation's Capitol in the use of rice.

[From the Church Point News, Feb. 27, 1959]

Congressman T. A. THOMPSON stated House Committee on Agriculture killed the acreage trading plan for rice and cotton by a vote of 15 to 14. He said he was extremely sorry that more consideration was not given to this plan, as it held great possibilities for rendering assistance, especially to the small cotton farmers who have suffered from 2 disastrous crop years. "I had hoped that the committee would allow us to work out a plan whereby the small cotton farmer who was not equipped to grow rice economically could have received several more acres of cotton by trading the rice acreage to a rice farmer who needed more rice acreage to help make his operation a more economical one. \* \* \* It is my hope that one day we will be able to convince the Department of Agriculture that the problems of our small farmers are not the same as those of the large Midwestern farmers and that it is imperative that something be done soon to help them.

[From the Crowley Daily Signal, Mar. 4, 1955]

Telegrams have been dispatched to Senator ALLEN J. ELLENDER and Representative T. A. THOMPSON by the Acadia Farm Bureau in which the efforts of the Louisiana solons to secure added rice and cotton acreage have been applauded.

[From the Crowley Daily Signal, May 7, 1955]

#### SIDEWALK TALK

An increase in rice acreage allotments—no matter how minute—will be a big help to our farmers. We take off our hat to Representative T. A. THOMPSON, Senators ELLENDER and LONG, as well as other Congressmen for their work on this worthwhile bill.

[From the Crowley Daily Signal, May 7, 1955]

An outstanding program has been developed for the Rice Millers' Association's 3-day convention in the National Capital. Featured on the program are Senators RUSSELL B. LONG of Louisiana and J. W. FULBRIGHT of Arkansas, two of this country's most dynamic young Senators; and Congressmen CLARK W. THOMPSON of the Texas Ninth District and T. ASHTON THOMPSON of the Louisiana Seventh District, two very aggressive Congressional supporters of the rice industry.

[From the Crowley Daily Signal, May 10, 1960]

Congressman T. A. THOMPSON today advised the Crowley Daily Signal that he has been able to secure approval by the House Agriculture Appropriations Committee for an increase in funds for the Rice and Grain Market News Service in Louisiana.

The total amount of the appropriation has been raised by \$15,500 to \$19,500. This figure will be matched by the Louisiana Department of Agriculture for the operation of the market news service.

Representative THOMPSON said he was continuing his efforts in this matter when the bill is considered on the floor and later goes to the Senate.

[From the Times Picayune, Apr. 19, 1960]

Farmers in St. Landry parish are eligible for emergency loans, the farmers home administration ruled Monday. Heavy losses last year due to excessive rainfall and insect infestations make necessary more financing than the local banks can handle.

Bankers in St. Landry parish last February felt that they could finance the planting of this year's crop. Requirements proved to be greater than could be financed, however. Representative T. A. THOMPSON filed a request for emergency loans for St. Landry, which request was approved Monday.

[From the Times Picayune, May 7, 1955]

#### IKE SIGNS BILL ON RICE ACREAGE

It is the opinion of Representative T. A. THOMPSON who led the fight for this legislation, that this will correct the inequality resulting from the original allocation. Under this act, Louisiana receives 57 percent of the additional acreage allowed. This aroused opposition in other rice-growing areas, but THOMPSON was able to satisfy the other Representatives that the legislation was necessary to cure an unintentional injustice.

Speaker RAYBURN gave THOMPSON the gavel he used when the bill passed the House.

It is now known that had peanuts been eliminated from the price-support bill, it was a part of the strategy of the opposition to try next to eliminate rice from the list of basic commodities.

#### LOUISIANA FARM BUREAU

FEDERATION, INC.,

Baton Rouge, La. November 20, 1958.

DEAR REPRESENTATIVE THOMPSON: On behalf of the Louisiana Farm Bureau Federation, I want to express our deep appreciation for your cooperation in adjusting your busy schedule to permit time to meet with the "engineers" of the parish farm bureaus in the Seventh District. We are particularly grateful that you were able to reschedule your session with us from Saturday to Wednesday.

Again, please accept our thanks for your interest in and cooperation with our farm bureau members. President Lovell and I are looking forward to seeing you.

Sincerely,

R. J. BADEAUX,  
Executive Secretary.

CROWLEY, La., September 2, 1959.

DEAR ASHTON: Today we received your telegram advising us that the USDA had knocked out the 5 percent requirement on the PIK program. This certainly is very good news, and thank you for sending us the early advice.

I certainly appreciate everything that you did to help our industry in this battle with

the dry corn millers. You may feel certain that I will let everyone know that you helped us in every way.

Once again, many, many thanks.

Yours very truly,

THE SUPREME RICE MILL,  
GORDON E. DORE.

THE CITY OF BATON ROUGE  
AND PARISH OF EAST BATON ROUGE,  
May 27, 1957.

DEAR CONGRESSMAN THOMPSON: Thank you very much for the telegram advising me that President Eisenhower signed the fire ant bill. It has been very kind of you to keep me personally informed from time to time as to the progress of the bill.

On behalf of the people of this parish, I want to express to you sincere appreciation for the splendid service you have rendered the State toward the successful passage of legislation by Congress to undertake the fire ant eradication program. You can be assured that the governing body of this parish will cooperate in every way with agencies of the State and Federal Government in a program to do an effective job in controlling and eliminating this menace.

Sincerely yours,

JOHN CHRISTIAN,  
Mayor-President.

CAMERON, LA., April 2, 1958.

DEAR CONGRESSMAN THOMPSON: This is to express our appreciation for your cooperation in making surplus corn available to the needy cattlemen of this parish. Some 16,000 heads of cattle were fed for about 1 month and a half, consuming a little over 3 million pounds of corn.

It is estimated that close to 20 percent or over 3,000 heads of the cattle fed would have died had the feed not been made available. Therefore you may well realize how grateful we are for having received the surplus grain.

Thanks again for your interest and cooperation.

Sincerely yours,

D. Y. DOLAND,  
President, Cameron Parish  
Farm Bureau.

THE WHITE HOUSE,  
Washington, D.C., January 31, 1958.

DEAR MR. THOMPSON: Thank you very much for sending me a carton of Louisiana yams. I am glad to be introduced to this particular, and I am sure, superior, variety of the sweet potato family.

I was interested in the program of research that you outline as being responsible for the present product. Congratulations on the modern methods employed to revitalize the industry upon which so much of the economy of your district depends.

With best wishes.

Sincerely,

DWIGHT EISENHOWER.

LAFAYETTE, LA., March 24, 1958.

MY DEAR CONGRESSMAN: Quoted below is an extract from the minutes of the 21st annual meeting of the Louisiana Sweet Potato Association held March 15, at St. Francisville, La.

"Be it resolved, That the Louisiana Sweet Potato Association convey its appreciation and thanks to Congressman T. A. Thompson for his attendance and participation in the convention and to commend him for his efforts in promoting Louisiana yams in our National Capitol."

Yours very truly,

CLAUDE ARCENEUX,  
Secretary-Treasury, Louisiana Sweet  
Potato Association.

LAKE PROVIDENCE, LA., May 24, 1960.

DEAR CONGRESSMAN THOMPSON: Thank you so much for your letter of May 20 relative

to your efforts with Assistant Secretary McLain of the Department of Agriculture in getting the Department to modify their decision on NATO rice.

You are to be commended most highly for your conscientious and persistent efforts in helping to get the proper consideration in the USDA for our rice producers. You may rest assured that rice producers appreciate your efforts most highly. They are cognizant of the work you have already done and your continued efforts in their behalf.

Assuring you of our appreciation, I am

Cordially and sincerely,

C. A. ROSE,  
County Agent.

[From the Beaumont Enterprise, May 24, 1960]

CROWLEY, LA.—The U.S. Department of Agriculture has agreed to reexamine all data concerning the price support classification of NATO rice before announcing the final value factors for this year's rice crop according to information received in Crowley Monday from members of the Louisiana congressional delegation.

Senators ALLEN ELLENDER and RUSSELL LONG, and Representatives EDWIN WILLIS and T. A. THOMPSON, reported a conference with Assistant Secretary Marvin McLain of the U.S. Department of Agriculture in which they made it clear they considered the lower support rate on NATO neither fair nor justified at this time.

ALEXANDRIA, LA., March 5, 1957.

DEAR CONGRESSMAN THOMPSON: I would like to express the appreciation of the Louisiana ASC State committee to you, Congressman WILLIS, and Senators LONG and ELLENDER for your continued and effective efforts in having Toro rice reclassified for price support purposes. This was a long and tedious task and we are convinced that it would never have been accomplished without your continued and effective efforts individually and collectively.

Mr. Chaikley, who was chairman of our committee during the time this subject was under discussion, has often expressed his appreciation of your efforts in this matter. If he has not previously made his sentiments known to you, I would like to take this means of transmitting them.

Sincerely yours,

CLIFFORD G. LEBLANC,  
Chairman, Louisiana ASC  
State Committee.

CROWLEY GRAIN DRIER, INC.,  
Crowley, La., March 27, 1957.

DEAR MR. THOMPSON: It was indeed kind of you to keep me posted as to the progress being made with the Commodity Stabilization Service, relative to the establishment of Toro rice in its proper support price position.

Now that it has been officially announced that Toro has been placed in group III, I want to personally thank you, Representative WILLIS, and Senator ELLENDER for your generous efforts in helping to obtain Toro's correct position under the price support program. I feel sure that, without all of your help, this would not have been accomplished. I can speak for our farmer customers when I add that they, too, are most appreciative of your efforts in their behalf.

Yours very truly,

CLAUD BREWER, Jr.

CAMERON, LA., April 17, 1958.

DEAR T. A.: This is to say in behalf of myself, the Disaster Feed Committee and the cattlemen of Cameron Parish, thanks for your assistance in helping us get the surplus corn. It served a very good purpose in saving cattle as indicated by enclosed article. Incidentally it served also as a wonderful morale booster. Some of the people who had re-

ceived no assistance from FCDA, Red Cross, or otherwise came in for this corn and were exceedingly well pleased.

Thanks again for your usual fine cooperation, I am,

Sincerely yours,

HADLEY A. FONTENOT,  
County Agent.

PARKVIEW BAPTIST CHURCH,  
Sulphur, La., July 23, 1957.

DEAR MR. THOMPSON: Greetings from lovely Louisiana, the land you love and serve. I do want to say I appreciate the fine job you are doing in representing our people in Washington.

Secondly, I want to tell you how I appreciate the assistance you have given our neighbors in Cameron Parish. I know that you will continue to give assistance.

Thank you so kindly for your untiring service to the people of our district.

Respectfully yours,

B. D. POWELL,  
Pastor.

LAKE CHARLES, LA.,  
August 14, 1958.

On behalf of all concerned with Cameron Parish Disaster Fund I want to express our thanks for your successful efforts in expediting a favorable and retroactive ruling on income tax deductibility of contributions.

JOHN N. CARTER.

LAKE CHARLES, LA.,  
October 22, 1957.

DEAR MR. THOMPSON: I would like to take this opportunity to express to you, both my personal gratitude and appreciation and that of the Calcasieu police jury, for your assistance in expediting the approval of Federal funds to pay accounts incurred during Hurricane Audrey.

Without your help in this matter, it is very doubtful that the advancement of funds, which are now being processed, would have been received.

Thanking you again, in behalf of the Calcasieu Parish civil defense, I remain,

Yours very truly,

LARRY W. STEPHENSON,  
Director, Calcasieu Parish Civil De-  
fense, Coordinator, Target Area III.

THE AMERICAN NATIONAL  
RED CROSS,  
SOUTHEASTERN AREA,  
Atlanta, Ga., December 27, 1957.

DEAR CONGRESSMAN THOMPSON: As 1957 is drawing to a close I want to thank you officially and personally for your many evidences of support of the American Red Cross during the past year. Your people were severely struck by Hurricane Audrey and you proved many, many times your interest and concern to do everything possible in assisting them to recover.

Sincerely,

DONALD W. STOUT,  
Deputy Manager.

LAKE CHARLES, LA., July 23, 1957.

DEAR CONGRESSMAN THOMPSON: Please accept my thanks for your very kind letter of July 19th concerning Hurricane Audrey. I appreciate very much having this expression from you.

Let me at the same time express to you my personal appreciation for the great interest that you have demonstrated in the welfare of the people of southwest Louisiana.

Sincerely,

ADOLPH S. MARX.

ST. LANDRY PARISH FARM BUREAU,  
Opelousas, La., July 16, 1957.

DEAR MR. THOMPSON: I wish to express the thanks and appreciation of the 950 farm bureau families of St. Landry Parish for the

promptness in which you attended to our appeal to you for help in the recent disaster as a result of Hurricane Audrey.

Yours very truly,

FRANCIS LE DOUX,  
Secretary.

BATON ROUGE, LA., July 21, 1958.

DEAR REPRESENTATIVE THOMPSON: We were delighted to learn that funds for an additional tree nursery had been provided for Louisiana through the soil bank program. You can rest assured that thousands of Louisiana landowners highly approve this allocation of Federal funds.

Please accept my personal thanks for the real and genuine help you gave us on this matter. We hope that if you get back to Louisiana this time next year that we can take you over to this new nursery and let you see a wonderful crop of young pine seedlings.

Yours very truly,

JAMES E. MIXON,  
State Forester, Louisiana Forestry  
Commission.

The Seventh District of Louisiana is fortunate in having unlimited resources of oil and natural gas. This, together with our navigable waterways and vast numbers of enlightened people available for work, is drawing more and more industries to southwest Louisiana. Our tidelands oil alone has meant more than \$100 million to Louisiana already. I participated in the battle waged in regard to tidelands ownership and it is my hope that we may yet be successful in extending ownership of tidelands to the 10½-mile historic boundary. As you know, the U.S. Supreme Court recently ruled against Louisiana, Mississippi, and Alabama, but gave Texas and Florida possession to the 10½-mile boundary. It is ridiculous and discriminatory to give some States three times the seaward territory of others.

Many have found employment with the great oil companies which have established themselves in our areas and have developed our oil and gas resources. More and more we are to see new industries come into our areas. To get new industries for our areas requires teamwork, and I have taken advantage of every opportunity which has come my way.

I have assisted in the development of civilian airports throughout my district and State and helped to sponsor ever-improving air service for our people. I have helped communities to obtain low-rent housing, loans under the community facilities program for the construction of sewerage and water and fire-prevention systems, grants under the Water Pollution Control Act for construction of sewage-treatment plants to assure an adequate supply of clean, fresh water for future generations. I have endeavored to assist communities in their problems in every possible way.

It is gratifying that these efforts have been noted and as an indication to this body that our constituency is aware of what is going on in Washington, I should like to read to you a few of the communications I have received:

[From the Lake Charles American Press, Mar. 19, 1959]

SEVEN HUNDRED AND SIXTY-FOUR THOUSAND  
DOLLAR LOAN MADE FOR CAMERON UTILITIES

Hurricane-damaged public facilities in Cameron will be replaced through a \$764,000

loan to the parish by the Federal Government's Community Facilities Administration. The loan was secured through Senators ALLEN J. ELLENDER and RUSSELL B. LONG, and Representative T. A. THOMPSON. The money will go toward construction of a waterworks, fire-prevention facilities, and a sewerage system, all heavily damaged by Hurricane Audrey, June 27, 1957. The total cost of the project is estimated at \$841,000 and a \$77,000 grant has been made by the Public Health Service under the Water Pollution Control Act.

LAKE CHARLES ASSOCIATION  
OF COMMERCE,  
December 23, 1957.

DEAR T. A.: On behalf of the Board of Directors of the Lake Charles Association of Commerce, it is a privilege to express our appreciation for your personal efforts and assistance to us in securing the new Lake Charles Municipal Airport which soon will become a reality.

We feel that without your personal support, this development could not have been accomplished.

Yours sincerely,

L. LEE WELCH,  
President.

ALEXANDRIA, LA., July 18, 1958.

DEAR CONGRESSMAN THOMPSON: Thank you very much for your telegram of July 17, letting us know that the Civil Aeronautics Board approved additional air service for Alexandria and other points on July 17.

We are grateful for the support you have given in helping secure this much-needed service for Louisiana.

Sincerely,

L. L. WALTERS,  
General Manager, Chamber of Commerce  
Alexandria-Pineville Area.

[From the Deridder Enterprise, Mar. 4, 1960]

Senators ELLENDER and LONG of Louisiana and Congressman THOMPSON advised the Enterprise Thursday by telegram, "Federal Aviation Agency advises allocation of Federal funds for fiscal 1961 program of that Agency in amount of \$40,000 for Beauregard Parish Airport to acquire aviation easements for N/S runway."

[From the Morning Advocate, Apr. 16, 1959]

Representative T. A. THOMPSON said Wednesday his House Public Works Committee has approved an expanded water pollution bill while beating down an attempt to add bureaucrats to the program, a proposal to create a new Office of Water Pollution Control. He noted, "As long as this program is successfully doing the things that need to be done, I see no reason for creating another costly Federal bureau in an already much too large system of Federal Government."

THOMPSON said that in future years, the saving in hospitalization of the American people would more than pay the cost of pollution in controlling our fresh water supply.

ABBEVILLE, LA., September 29, 1958.

DEAR REPRESENTATIVE THOMPSON: I wish to take this opportunity to thank you on my behalf as well as on behalf of all of the other parties in Vermilion Parish interested in the above matter for your cooperation and attendance at the meeting with Mr. Hoffman of the Bureau of Land Management of Thursday of last week. It is indeed gratifying to see so many members of our Louisiana delegation coming to our aid in connection with this problem, which I feel is certainly a serious proposition which threatens the welfare of so many people in southwest Louisiana.

Very sincerely yours,

ROGER C. EDWARDS.

KINDER, LA., November 21, 1958.

DEAR SIR: I wish to take this opportunity to thank you for your part in helping the town of Kinder to secure the loan from the Housing and Home Finance Agency to be used to prepare plans for street paving.

Thank you again.

Very truly yours,

LEE ST. ROMAIN,  
Mayor.

LAKE CHARLES, LA., July 13, 1959.

DEAR T. A.: I appreciate very much your wire advising that the urban renewal commission had approved a \$15,000 grant for the Greater Lake Charles-Sulphur-Westlake Metropolitan Planning Commission.

It is difficult to enumerate the many wonderful things that you have done to assist in the growth of this area. We are all deeply appreciative of the fine work that you are doing as our Representative.

With kindest personal regards, I am,

Sincerely yours,

OLIVER P. STOCKWELL,  
Attorney at Law.

[From the Times-Picayune, May 28, 1955]

Representative T. A. THOMPSON wants his congressional district to be prepared if it is ever hit by an H-bomb or a fallout area from one. Accordingly, he said Friday, he is mailing 10,000 copies of two civil defense administration publications to constituents.

JENNINGS, LA., September 17, 1958.

DEAR CONGRESSMAN THOMPSON: Words cannot express the appreciation which our community, and especially the Jennings American Legion Hospital Board, has for the fine work which you have done to assist us in getting the Hill-Burton funds.

Martin Arceneaux, president, and the entire hospital board has requested that I send these personal thanks.

We sincerely hope that it will be possible for you to visit with us during the construction of the hospital. If not before, then we certainly hope that you will be with us at the dedication.

With sincerest best wishes.

Cordially yours,

MINOS D. MILLER, Jr.

LAKE CHARLES, LA., August 6, 1958.

DEAR REPRESENTATIVE THOMPSON: Thank you and congratulations on your successful efforts at renaming Lake Charles Air Force Base for the late Gen. Claire Lee Chennault. You were indeed representing the feelings and wishes of the people locally and nationally by that action. I speak as commander of Louisiana District D, Air Force Association; president of Lake Charles Civitan club and as a private citizen.

Sincerely,

DR. L. R. SAVOIE, O.D.

I have been alert to the problems of our veterans and boys in the military service and their families. My office is always open to anyone seeking what is due him from his Government. All such requests for assistance receive prompt attention by my office and I have been successful in seeing these requests receive careful consideration by the appropriate agency or department of the Government. The following give an indication of the response to my efforts in these cases:

CROWLEY, LA., May 21, 1959.

DEAR SIR: I am not going to make this long, I'll come to the point, I wish to take this opportunity to thank you, for the time and effort you have shown in my behalf.

Sincerely yours,

ALCEE MELANCON.

SUNSET, LA., May 24, 1957.

DEAR MR. THOMPSON: I would like to express my thanks for your most sincere effort in the case of \* \* \*. Your prompt attention to this matter was greatly appreciated.

Thanking you again, I remain,  
Very truly yours,

JOHN L. OLIVIER.

STARKS, LA., June 29, 1959.

DEAR CONGRESSMAN THOMPSON: I received your wire June 26, \* \* \*. I want to take this opportunity to thank you for everything you have done for me.

Very truly yours,

PAUL J. EXNICIOUS.

VILLE PLATTE, LA., September 10, 1959.

DEAR T. A.: Many thanks for your excellent help to the veterans' posts of Ville Platte with regard to securing blank ammunition for military funerals. I am sure your help will be called to the attention of the members of the posts.

It is always a pleasure to hear from you, and we certainly appreciate your wonderful cooperation as always.

Yours most sincerely,

ALBERT TATE, Jr..

First Circuit Court of Appeals.

DE RIDDER, LA., March 6, 1958.

MY DEAR CONGRESSMAN THOMPSON: Thank you, so much, for your kind letter dated February 10, 1958. I am enclosing a picture of myself in the motorized wheelchair which you so generously helped me to get from the VA. Without your help, I would not have had the chair, which helps me so much to get around my home and to go over my property. It is, indeed, a privilege to have a Congressman like you, who will take time to help each of us who has a worthy cause; as well as helping all of us collectively. We can always depend on you to defend the rights and promote the general welfare of all.

With all good wishes for your victory in the forthcoming elections, I remain,

Most sincerely yours,

JOHN H. NASH.

LAKE RICE MILL, INC.,

Lake Arthur, La., February 3, 1960.

DEAR CONGRESSMAN: Mr. John P. Abshire joins me in thanking you for having his National Guard situation adjusted to conform with the legal aspects of the case, and therefore, to our complete satisfaction.

Once again I am thankful we have you on the job in Washington. If we ever turn the usual around, and we be helpful to you—please let us know because we would appreciate the opportunity.

With best regards,

Yours very truly,

JACK R. SMITH, President.

SULPHUR, LA., November 14, 1959.

DEAR MR. THOMPSON: I have received your letter, dated November 10, 1959, stating that I have been transferred from the Active Reserve to the 4342 USAR Control Group. I also received verification from the U.S. Army Military District of Louisiana to this fact.

I wish to thank you for your interest and cooperation in my case.

Sincerely yours,

ERNEST BARKATE.

LAKE CHARLES, LA., May 29, 1959.

DEAR MR. THOMPSON: You've been so kind, so thoughtful, too. Many, many thanks to you.

Mrs. ERNEST BROWN.

LAKE CHARLES, LA., January 26, 1959.

DEAR CONGRESSMAN THOMPSON: I want to express my sincere thanks to you for the

prompt and efficient manner in which you handled the request of Sgt. Cecil O. Hayes for a transfer to Chennault Air Force Base. He and his family are aware of your efforts in his behalf and are deeply appreciative.

When you are in Louisiana, our doors are always open to you. It is gratifying to know that the people of Louisiana have in you a true Representative who never gets too busy to lend assistance of general benefit to your constituents.

With kindest personal regards, I am sincerely,

Your friend

HARLEY MCCALL.

MAMOU, LA., May 15, 1959.

DEAR CONGRESSMAN THOMPSON: We have this day received your telegram advising that Mr. Elvin Guillory's application for discharge has been approved and that he will be notified to report to New Orleans for discharge.

We sincerely thank you for your great assistance in this matter and we are sure that Mr. Guillory and his son will never forget the assistance you have rendered them in this matter.

With kindest personal regards and best wishes, I am,

Sincerely yours,

PAUL C. TATE.

OBERLIN, LA., June 5, 1959.

DEAR MR. THOMPSON: This is to thank you for what you have done for me in regard of getting my son, Fred N. Guillory, back to the States for hospitalization and examination. He is in San Antonio, Tex., now.

If ever I can be of any help to you, let me know.

Mr. and Mrs. NAT GUILLORY.

VILLE PLATTE, LA., June 18, 1959.

DEAR MR. THOMPSON: I received your telegram advising me that my husband would be transferred to a base near home. I would like to thank you for all the trouble you have gone through for us and let you know that we never will forget this.

Yours truly,

Mrs. CHARLES LOFTON.

UNIVERSITY OF OKLAHOMA,

Norman, Okla., February 2, 1959.

DEAR MR. THOMPSON: I would like to thank you for all you have done in my behalf. If I may help you in any manner I would be honored for you to call upon me.

Thanking you sincerely for everything you have done for me, I am,

Sincerely,

GLENN NOLAN JONES.

OPELOUSAS, LA., July 6, 1959.

DEAR SIR: The receipt of your letter of June 29, telling us of the approval of our son's hardship discharge and that he should arrive soon, was one of the happiest moments of our lives, and we want to thank you with all our hearts for what you have done to make it possible for his discharge. May God bless you and yours always.

Yours very truly,

Mr. and Mrs. J. ALTON JOUBERT.

FRANKFURT, GERMANY, June 1, 1959.

DEAR MR. THOMPSON: I am sorry that I haven't written you before, thanking you for the help you gave me in getting to Europe. I am enjoying it very much, and it has given me the opportunity to see places I would have never seen otherwise. Two weeks ago I took another week's leave and

spent it in Paris which I enjoyed most of all. Being from Ville Platte and French speaking I was able to get around very well.

May I again thank you for what you have done for me.

Sincerely yours,

NORBERT VIDRINE.

LAKE CHARLES, LA.,

January 11, 1960.

DEAR SIR: This is to express the appreciation of my family and me for the courteous reception of our recent problem in re the request for hardship discharge for \* \* \*.

On two occasions I telephoned your office, and each time the request was given immediate action by your secretaries.

Airman was discharged and arrived home for Christmas.

Thank you again for your able assistance.

Sincerely,

Mrs. RICHARD A. ROBERTS.

OPELOUSAS, LA., April 4, 1959.

DEAR MR. THOMPSON: I am in receipt of your letter of March 15, 1960, concerning the action taken by you on the case of my son, Pvt. Larry Fontenot.

I wish to thank you from the bottom of my heart for the prompt and kind attention that you have given this personal matter. I have a letter from his commanding officer stating that he is to be transferred soon and will have easy work that he will be able to do while awaiting the outcome of his case.

Good luck to you on all of your undertakings.

Very truly yours,

GILBERT FONTENOT.

VINTON, LA., August 27, 1959.

Hon. THOMPSON: My sincere thanks goes to you for your time and effort in having \* \* \*. Had it not been for your services this undertaking would never have been completed. It is a comfort to know that we have people such as you who are willing to lend a helping hand in time of need.

Once again may I say thanks.

Sincerely,

Mrs. EDDIE ROY.

DE QUINCY, LA., August 29, 1958.

DEAR SIR: I take the pleasure and drop you a few lines to let you know I finally got the pension through and I do thank you very much.

Yours truly,

G. E. YAW.

MAMOU, LA., March 15, 1958.

DEAR MR. THOMPSON: I received the letters you sent me with the information I needed about \* \* \*. I can find no words to express my thanks and appreciation.

Thanks again for everything and I will let you know if ever we settled this case as you were so kind and generous with your help.

Sincerely yours,

Mrs. JAMES JORDAN.

FEBRUARY 24, 1959.

DEAR CONGRESSMAN THOMPSON: \* \* \* have asked me to convey to you their sincere appreciation for the many kind services you have rendered for them. I refer especially to your latest endeavors in rectifying the situation involving the payment of nursing services. For your information the Department of Labor brought up to date the payments for nursing services within 48 hours after you had contacted them.

Yours very truly,

P. J. CHAPPUIS II.

HAYES, LA., April 13, 1959.

DEAR MR. THOMPSON: I want to write you to express my thanks and appreciation to you. \* \* \* I have received the check, and I do want to thank you very sincerely because I know positively that, without your help, I would not have heard anything from them. Any time you feel that I can be of any help to you, just let me know. Thanks again.

Sincerely,

SIMON E. BREAUX.

I have given special attention during my 8 years in Congress to obtaining better postal service for the people of my district, and especially for families who live in the rural areas. The Post Office Department records will show that 193 extensions of rural service have been authorized in my district since June 30, 1957. These extensions increased the rural routes by 331 miles and provided improved service for 1,374 families. I have, also, saved many of our small post offices from closing by being able to convince the authorities in Washington that these offices serve a real purpose in that they are the center of activities of the community.

I gave every assistance I could in having consideration given to granting a salary increase to our postal and Federal workers, and we were successful in our efforts. There has been around 17 percent increase in mail volume in recent years, with improved service and efficiency. We all know this improved service and efficiency is attributable to the performance of more and more work by the 535,000 postal employees. It was through my efforts that the employees in the Agriculture Stabilization and Conservation Committee offices were included for the salary increase given other Department of Agriculture employees. Some of the expressions to me by these groups follow:

LAKE CHARLES, LA., September 24, 1958.

DEAR SIR: I wish to thank you for your interest and work on the civil service annuity bill, which was passed recently. I am one of the widows who will benefit, and it means a lot to me and to many others like me.

Again thanking you, and with best wishes.

Sincerely,

KATHLEEN F. NEWLAND.

The Postal Record, October 1958 (taken from a story about the National Association of Letter Carriers Convention in San Francisco): "The principal speakers of the session were Congressmen JAMES H. MORRISON and T. ASHTON THOMPSON, both of Louisiana and both leaders in Federal legislation for postal and other Government employees."

BISHOP'S HOUSE,

Lafayette, La., March 11, 1958.

MY DEAR MR. THOMPSON: Thank you for your letter of March 5, and for your continued interest in regard to the postage rates for religious publications.

With good wishes, I am

Sincerely yours in our Lord,

MAURICE SCHEXNAYDER,

Bishop of Lafayette.

NEW ORLEANS, LA., May 11, 1958.

DEAR CONGRESSMAN THOMPSON: Just a little note to let you know how much we appreciate your attending the Louisiana State Convention. It is always a pleasure

to have with us our friends who work so hard for our men in grey—you and all our other guests were just wonderful. Thanks a million.

Sincerely,

Mrs. JOSEPH V. HOUSEY, Jr.

LAKE CHARLES, LA., November 9, 1959.

DEAR CONGRESSMAN: As I was unable to personally thank you at our recent statewide meeting in Opelousas, I would like to take this opportunity to express my appreciation for your strong support of beneficial postal employee legislation. I am sure this is the feeling of our entire membership in the Seventh District, though some of them may have failed to thank you, as it is all too often that we respond when we feel a need but fail to show the proper appreciation when the need is met.

Sincerely yours,

L. T. CARTER,

Louisiana State Federation,  
Post Office Clerks.

DALLAS, TEX., April 1, 1959.

DEAR CONGRESSMAN THOMPSON: Reference is made to your letter of December 23, 1958, and our reply of January 5, 1959, in regard to an extension of Rural Route No. 4, Opelousas, La.

Our investigation regarding this has been completed, and it was found that an extension of rural service, as requested, was warranted. Orders have been issued accordingly, effective April 18, 1959.

Your interest in improvements to the postal service is appreciated.

Sincerely yours,

GEO. A. GRAY,

Regional Operations Director,  
Post Office Department.

LAKE CHARLES, LA., April 3, 1958.

DEAR CONGRESSMAN THOMPSON: I would like at this time to thank you for giving of your time to meet with the Louisiana State Federation of Post Office Clerks in Ville Platte, La. We were indeed honored with your presence and very pleased with the inspiring message you brought.

I want you to know that I and the other postal workers of America sincerely appreciate the interest you have shown and work you have done for us. We do know that you are our friend and a sincere lawmaker by your efforts and achievements.

Again I say thanks.

Sincerely yours,

TRUMAN M. SELF.

OPELOUSAS, LA., June 21, 1957.

DEAR CONGRESSMAN THOMPSON: This is a means of thanking you for your fine efforts in securing my increase in compensation on my contract with the U.S. Post Office Department. This is really appreciated and will be remembered in the future.

Sincerely yours,

RALEIGH VIGE.

LAKE CHARLES, LA., May 21, 1957.

DEAR MR. THOMPSON: The members of Local No. 223, National Federation of Post Office Clerks, and I, as president, wish at this time to thank you for getting the discharge petition (H. Res. 249) as a means of getting our pay raise out of committee and on the floor for action. We need this pay raise very much.

I again would like to thank you for your support in the past and hope we will have your support in the future.

With best regards, we remain,

Sincerely yours,

LYOYD F. SCOTT,

President.

LAKE CHARLES, LA., June 23, 1960.

DEAR SIR: We wish to express our thanks to you for your help in passage of Federal Employees and ASC Employees pay raise bill, which also includes certain benefits for ASC Employees.

Please express our thanks and appreciation to other Members of Congress who helped in passage of this bill.

In the event the bill is vetoed by the President, please do your utmost to see that the bill becomes law.

Your friends,

HAROLD P. ISTRE,

EDNA M. BLACKWELL,

JOY S. BABINEAUX,

Members of Louisiana Association of  
ASC Parish Office Managers and  
Employees.

FRANKLINTON, LA., June 27, 1960.

HON. T. A. THOMPSON,  
House Office Building,  
Washington, D.C.:

The first battle has been won. We and our families wish to express our deep appreciation to you for your efforts in our behalf.

W. P. GREER,

President, Louisiana Association ASC  
Employees.

[From the Daily World, Apr. 1, 1960]

The Melville-Krotz Springs star route will be extended to serve 14 additional patrons, Raoul Meche, Krotz Springs postmaster, announced today.

The extension will become effective April 16, according to notice received today from Congressman T. A. THOMPSON.

The route now serves 70 box holders.

[From the Opelousas Daily World, Apr. 3, 1959]

Rural mail delivery will be extended to 10 families on Route 4, Opelousas, effective April 18, according to Postmaster Nathan Haas. Haas has been advised by Congressman T. A. THOMPSON, Seventh District, that the Post Office Department has approved the extension.

CAMERON, LA., June 15, 1960.

DEAR CONGRESSMAN THOMPSON: This will acknowledge receipt of your recent letter and letters from Senators RUSSELL LONG and ALLEN ELLENDER advising us of the change made by the U.S. Post Office Department in the transporting of mail from Lake Charles to Cameron.

In behalf of the Lions Club, I wish to thank all of you for your attention to this matter. I would appreciate it very much if you would advise the Dallas Regional Office of the Post Office Department extending our thanks for their attention to the matter.

With kindest regards and best wishes, I am,  
Yours very truly,

E. J. DRONET,

President, Cameron Lions Club.

[From the CONGRESSIONAL RECORD, June 15, 1960]

MR. GEORGE P. MILLER: "While I am on my feet, I would like to pay my respects to your colleague, the gentleman from Louisiana, [Mr. THOMPSON], who placed this petition on the desk. Whenever the chips are down and the Federal workers need assistance, it seems they go to Louisiana, to you or to Mr. THOMPSON. I think it is a great compliment to the gentleman from Louisiana that he was able to get 219 Members of this House to sign that petition. It indicates the respect in which we hold him and the high position he has earned in the House. During the 8 years Mr. THOMPSON was able to work with people and coordinate efforts. I serve on the Merchant Marine and Fisheries Committee with him and I know the great things he has done for your State of Louisiana."

KINDER, LA., June 27, 1960.

Hon. T. A. THOMPSON,  
Member of Congress, Washington, D.C.:  
Appreciate your good work on H.R. 9883,  
postal pay raise and continued work for  
override in case of Presidential veto.

ELMER D. SMITH,  
Secretary, Seventh District Louisiana,  
Rural Carriers Association.

I have given attention to development of rural electrification, rural telephone service, better highways, reforestation, assistance to our trapping and fishing industries, better weather reporting facilities in the gulf areas, and have assisted in development of better recreational areas.

My 18 years of experience in State government before coming to Congress has served me well and I feel it went a long way toward qualifying me to engage in all facets of governmental work required of a U.S. Representative. I receive many, many requests for various types of information and for assistance in many types of problems. My activities in Washington for my district have been many. I have been active in our Louisiana State Society, which each year sponsors a Mardi Gras ball, one purpose of which is to advertise Louisiana. The ball is dedicated to a different Louisiana industry each year and the queens of our Louisiana agriculture festivals are presented and are members of the queen of the Mardi Gras court.

My only purpose and ambition in Washington is to continue to serve the people of southwest Louisiana in a manner that will reflect credit upon them and gain for them those services which a deserving people should receive from their Federal Government. I submit the following to you as evidence of my efforts and accomplishments for my constituents:

LAKE CHARLES, LA., June 6, 1957.

DEAR MR. THOMPSON: We have received the letter to the Honorable Amory Houghton, our American Ambassador in Paris, and your letter to us. We appreciate very much your time and consideration in writing these letters for us.

Thanking you for your interest and help, we remain,

Sincerely yours,

IRIS MURPHY.  
LUCILLE LEATON.

VILLE PLATTE, LA., February 12, 1957.

DEAR T. A.: I want you also to know that I personally appreciate what you have done for this boy. It shows you have feelings for the poor, as well as the influential. I have told many of my friends how helpful you have been, and how you go after things for your people, and I am not trying to throw bouquets at you, but T. A., you are doing a good job. You are young, energetic, and willing to work hard, and we are fortunate to have you in Congress to represent us.

May God bless you. I am your old friend,  
ALBERT TATE, Sr.

JENNINGS, LA., August 10, 1958.

DEAR SIR: I wish to express my sincere gratitude for the prompt and courteous assistance you have given me in obtaining my passport recently when I was called upon to join my sister in France.

Thanking you again for your assistance, I am,

Sincerely yours,

J. B. HARGRODER, M.D.

[From the Daily World, May 17, 1960]

In a talk the other day in Congress on the occasion of the silver anniversary of the REA, Representative T. A. THOMPSON stated that in 1937 in Louisiana only 1.7 percent of rural homes and farms had electricity. Today, 23 years later, through 13 REA-financed co-operatives, 98 percent are electrified. Look again at the difference in Louisiana in less than 25 years; from 1.7 percent to 98 percent electrification of farms.

[From the Beaumont Enterprise, Apr. 9, 1960]

The Beauregard Electric Cooperative, Inc., has been notified that the REA has approved a loan for new telephone service to subscribers and for improved telephone service to lines already in use.

"The loan is in the amount of \$605,000 to be spent in Allen, Beauregard, Evangeline, and Jefferson Davis Parishes. This loan was to Four State Telephone Co. of Brownwood, Tex., according to wires from Senators ALLEN J. ELLENDER and RUSSELL LONG, and Representative T. A. THOMPSON.

The sum will furnish first-time service to 734 subscribers and improved service to 526.

JEFFERSON DAVIS

ELECTRIC COOPERATIVE,

Jennings, La., January 22, 1957.

DEAR T. A.: Please accept not only my thanks but thanks from the entire Southwest Power Area for your interest and support in intervening with the Federal Power Commission relative to the new rate schedule filed by the Department of the Interior for a 27-percent rate increase. Your action and influence will have a tremendous effect and will result in a saving of thousands of dollars for the farm cooperatives to say nothing of the final results of fairness being obtained.

Sincerely yours,

J. S. ROBBINS.

RAYNE, LA., April 22, 1957.

DEAR CONGRESSMAN: Thank you very much for helping me and Mrs. Sonnier get our passports. We appreciate your cooperation very much.

Sincerely yours,

WILLIAM SONNIER.

VILLE PLATTE, LA., March 21, 1958.

DEAR MR. THOMPSON: This is to acknowledge receipt of your correspondence a few days ago, and also to advise you.

I want to thank you so much for the prompt, earnest, interest and action that you devoted to my case. I shall be ever so grateful to you for your help in this matter.

I hope I can see you in the not too distant future to personally extend my thanks.

With best wishes, I remain,

Sincerely,

CURLEY LAFLEUR.

ST. MARTINVILLE, LA., September 18, 1958.

DEAR SIR: I should like, belatedly but sincerely, to express my thanks and appreciation for the information you were able to secure for me concerning social security benefits. Your letter contained the most detailed information I have received concerning the reason for the refusal of those benefits. Please forgive my delay in writing to thank you for your help and information.

Very truly yours,

Mrs. JOYCE BOURGOGNE.

[From the Opelousas Daily World, Sept. 9, 1959]

HOPE IS HELD FOR BOAT REGISTRATION LAW

A bill, introduced in Congress by Representative T. A. THOMPSON, has passed the

House of Representatives and gone to the Senate, which would extend the April 1, 1960, time limit by 9 months by which States could pass bills allowing them to collect the fees which will be brought in by the boat registration law slated to go into effect next April 1. Failure to pass the measure will result in the State losing between \$400,000 and \$600,000.

[From the Times-Picayune, Jan. 1960]

Louisiana T. A. THOMPSON said Friday in Washington that the Coast Guard will delay Federal registration of small boats in the State until the legislature can establish its own licensing system.

[From the Beaumont Enterprise, Mar. 22, 1960]

Congressman THOMPSON, Seventh District of Louisiana, stated Monday that a recent press release that the U.S. Coast Guard would begin plans for the numbering of small boats April 1, 1960, is erroneous. "The numbering of boats in Louisiana has been deferred until July 1 to allow time for the Louisiana Legislature to enact adequate legislation for the numbering to be done by the State of Louisiana," THOMPSON said.

[From the Ville Platte Gazette and Welsh Citizen, May 28, 1959]

#### THOMPSON PROTESTS DRAINING OF DUCK BREEDING GROUNDS

The protest was lodged with the Appropriations Subcommittee on Agriculture "The prairie 'pot holes' region of North and South Dakota and Minnesota is America's finest waterfowl habitat and breeding ground," THOMPSON said. THOMPSON said that he had been assured by the subcommittee chairman before the agriculture appropriations bill was passed Wednesday by the House that full cooperation is expected from the Fish and Wildlife Service at all levels in preserving these wetlands as a source of wildlife.

[From the Lake Charles American Press, Apr. 2, 1959]

#### SOUTHWEST OUTDOORS

Representative T. A. THOMPSON, replying to the Calcasieu Rod and Gun Club's letter regarding funds to repair Lacassine levees, said in a letter that the Interior Department has advised him that \$31,000 has been included in the budget for fiscal 1960 for levee repair. Refuge Manager Jack Perkins said if that amount is approved by Congress, it would be sufficient to avert the danger of complete loss of the levees, at least for the present time.

[From the Lake Charles American Press, Apr. 29, 1960]

#### SOUTHWEST OUTDOORS

It seems that we have something in the mill to correct the parking problem at the new boat launching site near Sabine Refuge. A telegram this week from U.S. Representative T. A. THOMPSON said that the Fish and Wildlife Service is making arrangements with the Cameron or Calcasieu Parish police juries for the construction and maintenance of a parking area. According to THOMPSON, the parking area is to be located along the canal which runs between Louisiana State Highway 27 and Calcasieu Lake. The parking area will be about 600 feet long and some 80 feet wide. This will certainly be welcomed news for the sportsmen who fish in Sabine Refuge.

LAKE CHARLES, LA.,

June 8, 1960.

DEAR MR. THOMPSON: It will be of interest to you to know that at the meeting of the Calcasieu Rod and Gun Club a few evenings ago Mr. Jack Perkins, who is manager of the Lacassine Wildlife Refuge, reported that the Bureau had made available \$25,000.00 for levee repair, that there are three draglines presently at work, and that with the anticipated \$31,000.00 for the purpose which has already been budgeted by the Bureau an adequate completion of the repair is expected.

Allow me to take this means of thanking you for your interest and effective assistance in this connection, and for your kind letter of March 26.

With all good wishes.

Sincerely yours,

Dr. V. L. WHARTON.

TIDEWATER MARINE SERVICE, INC.,

New Orleans, La., August 18, 1958.

DEAR MR. THOMPSON: I have just received word that bill S. 349, amending the vessel admeasurement laws relating to water ballast spaces, has been signed into law by the President of the United States.

Those of us affected are well aware of the role which you played in its successful adoption, and this is an expression of our appreciation for same. Our entire organization has been advised of your help in this matter, and I would like to express my personal gratitude.

Yours very truly,

JOHN P. LABORDE,

President.

HEADQUARTERS, AIR RESEARCH AND

DEVELOPMENT COMMAND, AN-

DREWS AIR FORCE BASE,

Washington, D.C., April 14, 1959.

DEAR CONGRESSMAN THOMPSON: I take this opportunity to thank you for your assistance in obtaining information relative to establishing a hunting preserve in Louisiana.

With best wishes, and thanks.

Sincerely,

NEWTON M. RICHARD, Jr.,

Colonel USAF.

[From the Lake Charles American Press, Mar. 29, 1960]

Bills have been introduced in the Senate by ALLEN J. ELLENDER and RUSSELL B. LONG, and in the House by T. A. THOMPSON, which would set up country-by-country quotas for the importation of shrimp, in a move aimed at preserving the domestic shrimp industry. Countries that know in advance what share of the U.S. market they are entitled to will be able to plan their operations accordingly. And it will prevent nations, which might have an abundance of shrimp at a particular time from flooding the U.S. market and ruining the price structure, not only for domestic producers, but for foreign producers as well.

LOUISIANA ANNUAL STATE  
FUR AND WILDLIFE FESTIVAL.

Cameron, La., January 2, 1957.

DEAR CONGRESSMAN THOMPSON: We appreciate the help you are giving us in putting over this second Annual Fur and Wildlife Festival.

We will be honored by your presence for the occasion.

Sincerely yours,

HADLEY A. FONTENOT,

President.

LOUISIANA COTTON  
FESTIVAL ASSOCIATION, INC.,  
Ville Platte, La., July 23, 1957.

DEAR ASHTON: I am really ashamed not to have acknowledged sooner your terrific assistance to the Louisiana Cotton Festival

in obtaining the Air Force cooperation in furnishing us the exhibits involved, as well as the Army assistance from Fort Polk, and the Coast Guard assistance, and the FBI assistance, etc. As usual, you did a more than excellent job.

Yours sincerely,

ALBERT TATE, JR.

VILLE PLATTE, LA., December 3, 1958.

DEAR MR. THOMPSON: Thank you for the use of your sound truck for the 8th annual Harvest Ball. We deeply appreciate your help.

Sincerely yours,

JACKIE MILLER,  
Secretary.

MAMOU, LA., September 7, 1957.

DEAR MR. THOMPSON: I received the letter Commissioner C. Schottland sent you concerning \* \* \*. I feel sure if it had not been for your help she would never have received it. I am afraid we took advantage of your generosity. I know you have lots of charity and goodness in your heart and we'll never forget it.

Thanking you again for everything.

Sincerely yours,

MRS. JAMES JORDAN.  
MRS. ALICE BENNETT.

VILLE PLATTE, LA., September 27, 1957.

DEAR ASHTON: I also wish to thank you for what you did for our friend, Mr. ———, and I have forwarded on to him your letter and the information involved. I know he will appreciate it very much.

Yours most sincerely,

ALBERT TATE, JR.

VILLE PLATTE, LA., July 21, 1957.

DEAR ASHTON: I received the patent in time and a well is now being drilled on the Delta P. Z. Fontenot tract just North of Villa Platte and trust it will be a good product.

Thanks a million for your assistance.

Sincerely,

E. HERMAN GUILLORY.

OPELOUSA, LA., May 30, 1958.

DEAR MR. THOMPSON: Since talking to you over the phone yesterday morning, I have received a wire from Mr. Pancho Scanlan at Washington, advising that they were issuing permit covering the car of lumber to Mexico.

We want to thank you most kindly for your assistance in this matter and with kindest personal regards, beg to remain

Sincerely yours,

M. R. PLONSKY,  
Sales Manager.  
GANTT NICHOLSON.

DE RIDDER, LA., March 1958.

MY DEAR CONGRESSMAN THOMPSON: Thank you, so much, for your kind message regarding my election to membership in Girls State of Louisiana, Inc. We are grateful and pleased with your commendation of the American Legion Auxiliary's Girls State organization. The approval of our Congressman lends prestige to our endeavor.

We wish to thank you, again, for your generous assistance to our civil and governmental projects in the Seventh District through the years.

With warmest best wishes, I remain,

Most sincerely yours,

LOUISE MCGEE-HANCHEY.

LAKE CHARLES, LA., June 9, 1960.

DEAR CONGRESSMAN THOMPSON: We are deeply appreciative of your efforts on our behalf in assisting us in the complicated procedure involved in negotiating the readjustment. Your office was most helpful and encouraging to us at a time when the need was critical. Your help was a fine

example of public service by an elected official coming to the aid of his constituents.

For myself, for Mr. Book and our entire organization, I again express our sincere thanks to you for your invaluable assistance.

Very truly yours,

P. C. GRIFFIN, JR.,

President, Book Construction Co.

DANIEL-RYDER, INC.,

GENERAL CONTRACTORS,

Opelousas, La., April 17, 1957.

DEAR SIR: Thank you for your telegram received this date advising us our application for short wave radio has been approved.

We realize the effort and consideration you have given our problem and would like you to know it has been very much appreciated.

Very truly yours,

H. J. DANIEL.

J. E. HIXSON & SONS,

Lake Charles, La., August 14, 1957.

DEAR CONGRESSMAN THOMPSON: I have your letter of August 9 together with the letter from the manager of the Veterans Hospital in Alexandria. I am grateful beyond words to you for your help in assisting us to secure the proper ambulance rate for our services between here and the Veterans Administration Hospital.

Thank you very, very much.

Yours very truly,

EDLEY HIXSON.

NEW ORLEANS, LA., March 12, 1958.

DEAR CONGRESSMAN THOMPSON: In my own name and on behalf of the Louisiana State Building & Construction Trades Council, I wish to thank you for taking the time from your busy schedule to meet with the Louisiana delegation at the recent legislative conference in Washington, D.C.

We sincerely appreciate your evidence of interest in our problems and we thank you for the favorable consideration given to our group.

Sincerely yours,

PHILIP PIRO,

President, Louisiana State Building & Construction Trades Council.

[From the Southwest Star, Aug. 18, 1959]

A sulfur businessman told the Star-Bulder today that he was in receipt of a letter from Congressman T. A. THOMPSON in answer to a query relative to the solon's action concerning what Managan termed "improper activities and procedures of labor unions and officials of such unions." Via a telegram, THOMPSON's answer indicated that he intends "to vote adequate legislation to protect workers and industry alike." It is always my hope that legislation will be worked out that will help us to preserve American principles. My feelings are not antianbody. I will continue my efforts for honest and proper legislation.

[From the Lake Arthur Sun, May 31, 1960]  
THOMPSON ASKS AID FOR SHRIMP INDUSTRY

Congressman T. A. THOMPSON, Seventh District, Louisiana, has appealed to the U.S. Tariff Commission for immediate action to protect the shrimp industry of Louisiana.

MAMOU, LA., June 8, 1960.

DEAR CONGRESSMAN THOMPSON: I want to take this opportunity to thank you on behalf of the Mamou Mardi Gras for your assistance in finding accommodations for us and in the many courtesies afforded our group on our recent visit to the Capitol. Needless to say, everyone was greatly and favorably impressed by your solicitous care for us and our welfare while in Washington.

Again thanking you and your very efficient office staff, and with kindest personal regards, I am,

Very truly yours,

PAUL C. TATE.

MAMOU, LA., May 23, 1956.

DEAR ASHTON: I want to take this opportunity to thank you for your participation in our Seventh District Young Democrats Convention in Jennings Sunday and also to acknowledge receipt of yours of May 15, 1956, announcing your candidacy.

I am sure that the people of the seventh district will reward your fine efforts in the past by reelecting you to your present office.

I hope that you will feel free to call upon me for any assistance which you feel I might render and I assure you that I will do everything within my power consistent with propriety and our respective positions.

With kindest personal regards and best wishes, I am,

Sincerely yours,

TATE & TATE.

I have constantly engaged in a battle for more economy in Government. I feel very strongly that the United States must live within its income and must liquidate its indebtedness if it is to survive. In these trying times, it is perhaps easy to revert to a practice of spending ourselves out of our world problems. My people, Mr. Speaker, are a wise people. In representing them and my own conscience and judgment, I must reiterate that we must not spend ourselves into bankruptcy in attempting to save other nations from the same fate. We must exercise certain economies, but let us effect these savings first in the direction of doles to foreign countries.

I believe that nations, like people, can best be helped in a manner that will not rob them of their self-respect and sense of responsibility. We must not continue to steal from other nations their ambitions and pride by the giving of ever-flowing grants to them as an incentive not to develop. We must one day help them to assume their responsibilities. We must, if we are to remain strong, look to the solving of the many problems of our own. Instead of building highways in countries which have no automobiles and flour mills in countries which raise no wheat, we should spend more money at home to develop our own natural resources.

We must be very careful to preserve the rights of the individual States in the development and operation of their own institutions. Local cost controls over schools, along with local decisions about educational requirements, will provide a better educational system at far less cost. Studies have shown that the chief result of a subsidy program in the matter of school construction would be to take tax dollars away from areas where they will certainly be needed and bestow them on areas with far less need. If we are to survive as a nation of freemen, we must not fail to observe the responsibilities and rights of the sovereign States. We must allow the National Government to be representative of the collective will of those States; and not reverse this original concept.

The future holds for our areas many great things. My 8 years of service give me much more experience and influence

to accomplish more and more for my district. With my ever-mounting seniority in the Congress, it is my hope that I can play a part as their representative in the accomplishment that will be ours.

#### COMPARATIVE STATE AND LOCAL TAXES FOR A FAMILY WITH \$5,000 ANNUAL INCOME

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the Record and may include a table.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GOODELL. Mr. Speaker, on May 25, 1960, I placed in the RECORD a comparative tax chart to illustrate how differently a family of four with a \$5,000 income would be treated in the various States. The chart was submitted in the course of the House debate on the school-construction bill. It was prepared by me and my staff in consultation with various experts in the Census Bureau and the Library of Congress.

I was happy to note in the CONGRESSIONAL RECORD for June 27, 1960, at page 14608, that the gentleman from Iowa [Mr. WOLF] had devoted some of his valuable time and energies to a refinement of my original table. I am also happy to note that the table prepared by the gentleman from Iowa confirms the conclusion reached in my studies that there is a wide divergency in the amount of taxes paid to the support of State and local governments and schools throughout this country. Since the gentleman from Iowa applies somewhat different assumptions in his table, the tax burden in some States has changed rather drastically from what was shown in my chart. But, interestingly enough, only Arkansas, South Carolina, and Washington, of the lowest 10 States in my chart, are moved out of the bottom 10. West Virginia, for instance, was 49th in my tax chart while it ranks 47th in the chart of the gentleman from Iowa. Delaware was 44th on my chart and is moved to 49th on the gentleman from Iowa's [Mr. WOLF] rating. Texas moves from 41st to 48th. The gentleman from Iowa's [Mr. WOLF] chart clearly underscribes a difference in family tax of \$208.67 between Florida at the top of his chart and Delaware at the bottom.

Since considerable interest has been evidenced in the two revised charts which I have thus far presented to the Congress, I appreciate the contribution now being made by the gentleman from Iowa. Unfortunately, however, I cannot accept most of his revisions in my original chart, even though they confirm my conclusions. The major differences in the two charts arise from the treatment of State income tax and real property tax.

As to the real property taxes, as nearly as I can figure, the gentleman from Iowa has used a total property tax revenue figure which includes both real and per-

sonal property. Personal property tax rates are generally much lower than real property tax rates. Accordingly, when the combined personal and real property tax revenues are applied to compute the tax on a \$10,000 house, the apparent tax comes out lower than it actually is. The gentleman appears to repeat this mistake in computing the total assessed value subject to tax. As a result, Mr. WOLF's real property tax rate is considerably lower than the true real property tax rate for a given State.

I might also point out that in computing the average sales based assessment ratio, the gentleman from Iowa [Mr. WOLF] apparently used a figure which covers all classes of non-farm residences, while my chart refined this figure to reflect the average assessment in the given State for homes selling on the market for \$10,000.

The income tax figures present a different problem. The gentleman from Iowa apparently has itemized certain deductions in compiling State income tax returns. None of the States permit a taxpayer to take a standard deduction plus itemized deductions. I am informed that the vast majority of income tax returns take the standard deduction. In trying to obtain an average situation, it appeared that it would be most accurate and fair to take the standard deductions.

The gentleman from Iowa makes one other major criticism of my tax chart. This is my assumption that our family would purchase \$800 worth of items per year subject to sales taxes. The gentleman from Iowa [Mr. WOLF] feels that \$3,000 would be a more typical figure for a family making \$5,000. I will not go into the details of our family budget at this stage, except to point out that the family with a \$5,000 income spends \$416 on Federal income tax, plus State and local taxes. We have assumed \$1,200 per year for groceries, and only eight States have a sales tax on groceries. Some of the States which do tax groceries do so at a reduced rate. Life insurance for a family of four, when the husband is 30 years old and took the insurance out at the age of 21, would amount to \$114.70 for \$5,000. Payments on a 20-year mortgage for the \$10,000 home, assuming a downpayment of \$1,000 and a loan of \$9,000, would be \$912 per year. Social security taxes would be \$168 per year. In addition to all of the above items which are a part of my family budget, a number of other items must be included which are not subject to a sales tax. These are such items as haircuts, incidental school costs, auto repairs, home upkeep, newspapers and reading material, entertainment and savings. In brief, it is possible that the \$800 for purchases subject to sales tax should be increased somewhat, but I doubt if any considerable increase would be justified in this family's budget. In any event, the increase in the sales tax is of minor importance in the tax chart.

The only significant changes made in amounts by the gentleman from Iowa are attributable to real property and income taxes. As indicated above, I be-

lieve the gentleman from Iowa has made some crucial errors in these two major items.

The newest refinement of my own tax chart, using 1959 rates for both real property and income taxes, is as follows:

*Comparative State and local taxes for a family with \$5,000 annual income*

	Sales	Tobacco	Gas	Tangible property	State income	Real property	Total	Amount less than Minnesota
1. Minnesota	None	\$20.07	\$33.30		\$114.50	\$312.31	\$480.18	
2. Vermont	None	25.55	43.29		100.00	288.30	457.14	\$23.04
3. Maine	\$24	18.25	46.62		None	316.17	405.04	75.14
4. New Jersey	None	18.25	33.30		None	353.55	405.00	75.18
5. New York	None	18.25	39.96		28.00	318.66	404.87	75.31
6. Massachusetts	None	21.90	36.63		Exempt	318.00	376.53	103.65
7. Oregon	None	None	39.96		132.00	192.40	364.36	115.82
8. Wisconsin	None	18.25	39.96		64.50	238.53	361.24	118.94
9. New Hampshire	None	10.95	46.62		None	296.20	353.77	126.41
10. Montana	None	29.20	39.96		48.00	232.00	329.16	151.02
11. Pennsylvania	32	21.90	33.30		None	234.30	321.50	158.68
12. Maryland	24	10.95	39.96	\$1.34	54.00	178.00	308.25	171.93
13. Idaho	None	18.25	39.96		119.00	122.90	300.11	180.07
14. Iowa	16	18.25	39.96		67.50	157.00	295.06	185.12
15. Indiana	None	10.95	39.96		60.00	172.70	283.61	196.57
16. Rhode Island	24	18.25	39.96		None	206.20	278.41	201.77
17. South Dakota	16	18.25	39.96		None	201.70	275.91	204.27
18. Kansas	20	14.60	33.30		45.00	152.40	265.30	214.88
19. Florida	24	18.25	46.62		None	170.20	259.07	221.11
20. Georgia	24	18.25	43.29	2.50	8.00	160.10	256.14	224.04
21. Virginia	None	None	39.96		52.00	162.80	254.76	225.42
22. Tennessee	16	18.25	46.62		Exempt	171.00	251.87	228.31
23. North Dakota	16	21.90	39.96		23.00	150.10	250.96	229.22
24. Michigan	24	18.25	39.96		None	108.30	250.51	229.67
25. Colorado	16	None	39.96		30.00	162.00	247.96	232.22
26. Connecticut	24	10.95	39.96		None	172.00	246.41	233.77
27. Nebraska	None	14.60	46.62		None	180.60	241.82	238.36
28. North Carolina	24	None	46.62		76.00	92.10	238.72	241.46
29. Mississippi	24	21.90	46.62		Exempt	138.60	232.12	248.06
30. Arizona	24	7.30	33.30		22.00	143.20	229.80	250.38
31. Ohio	24	18.25	46.62	6.00	None	142.70	229.57	250.61
32. California	24	10.95	29.96		8.00	153.20	226.06	254.12
33. Oklahoma	16	18.25	43.82		25.00	110.60	223.67	256.51
34. District of Columbia	16	7.30	39.96		40.00	118.72	221.98	258.20
35. Illinois	24	14.60	33.30		None	146.50	218.40	261.78
36. Utah	16	14.60	39.96		48.00	87.50	206.06	274.12
37. Louisiana	16	29.20	46.62	5.75	Exempt	106.00	203.57	276.61
38. Alabama	24	21.90	46.62	6.50	27.00	73.60	199.62	280.56
39. Washington	32	21.90	43.29		None	100.20	197.39	282.79
40. Texas	None	29.20	33.30		None	134.60	197.10	283.08
41. South Carolina	24	18.25	46.62		46.00	60.10	194.97	285.21
42. Delaware	None	10.95	33.30		53.00	87.80	185.05	295.13
43. Kentucky	None	10.95	46.62		28.00	116.30	179.62	300.56
44. Missouri	16	7.30	19.98		17.00	126.00	176.28	303.90
45. New Mexico	16	21.90	39.96		21.00	74.80	173.66	306.52
46. Arkansas	24	21.90	43.29		17.00	63.70	169.87	310.31
47. Nevada	16	10.95	39.96		None	92.70	159.61	320.57
48. Wyoming	16	14.60	33.30		None	95.60	159.50	320.68
49. West Virginia	16	18.35	46.62		None	61.16	142.03	338.15

Mr. Speaker, this table assumes a family income of \$5,000 to support a man, his wife, and two children. The family automobile is driven 10,000 miles a year and gets 15 miles to a gallon. The family smokes a pack of cigarettes a day, purchases \$800 worth of items subject to sales tax each year, owns \$1,000 worth of tangible personal property, owns a house which has a market value of \$10,000. The family would pay \$416 in Federal income tax wherever it lived in the United States. As the family moved from State to State, however, it would pay the tax indicated above for the support of public schools and local and State governments. It is the same family with all the same economic activities, but it would pay an entirely different tax in each State.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SMITH of Iowa, for Friday, July 1, on account of official business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legis-

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lative program and any special orders heretofore entered, was granted to:

Mr. THOMPSON of Louisiana (at the request of Mr. McCORMACK), for 30 minutes, today.

Mrs. ROGERS of Massachusetts, for 10 minutes, tomorrow.

Mr. JOHNSON of Maryland (at the request of Mr. STRATTON), for 10 minutes, on tomorrow.

#### EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FARBERSTEIN.

Mr. GUBSER and to include extraneous matter, the remarks he made in the Committee of the Whole today regarding H.R. 12759.

#### ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLERSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2584. An act for the relief of Gourgen H. Assaturian;

H.R. 2665. An act for the relief of Briccio Garces de Castro;

H.R. 2671. An act for the relief of Antonia Martinez;

H.R. 2823. An act for the relief of Fumie Yoshioka;

H.R. 3122. An act directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm;

H.R. 3291. An act to amend title 10, United States Code, with respect to certain medals;

H.R. 3534. An act for the relief of Epifanio Trupiano;

H.R. 3789. An act for the relief of Preciolita V. Corliss (nee Preciolita Valera);

H.R. 3805. An act for the relief of Religiosa Liugia Frizzo, Religiosa Vittoria Garzon, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone;

H.R. 3923. An act to provide for the presentation of medal to persons who have served as members of the U.S. expedition to Antarctica;

H.R. 4346. An act to amend the Bankruptcy Act to limit the use of false financial statements as a bar to discharge;

H.R. 4670. An act for the relief of Karnall Singh Mahal;

H.R. 5569. An act to amend title 10, United States Code, to authorize the award of certain medals within two years after a determination by the Secretary concerned that because of loss or inadvertence the recommendation was not processed;

H.R. 6108. An act to provide for the establishment of the Arkansas Post National Memorial, in the State of Arkansas;

H.R. 7726. An act to amend section 678 of the Bankruptcy Act (11 U.S.C. 1078) relating to the transmission of petitions, notices, orders, and other papers to the Secretary of the Treasury in chapter XIII proceedings;

H.R. 7932. An act for the relief of William E. Dulin;

H.R. 7965. An act to amend sections 612 of title 38, United States Code, to authorize outpatient treatment incident to authorized hospital care for certain veterans;

H.R. 8212. An act to amend title 10, United States Code, with respect to the procedure for ordering certain members of the reserve components to active duty and the requirements for physical examination of members of the reserve components, and for other purposes;

H.R. 8253. An act for the relief of Pierre R. DeBroux;

H.R. 8740. An act to provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas;

H.R. 9142. An act to provide for payment for lands heretofore conveyed to the United States as a basis for lieu selections from the public domain, and for other purposes;

H.R. 9201. An act to validate certain mining claims in California;

H.R. 9541. An act to amend section 109 (g) of the Federal Property and Administrative Services Act of 1949;

H.R. 9711. An act for the relief of Robert L. Stoermer;

H.R. 9751. An act for the relief of Mrs. Icile Helen Hinman;

H.R. 10021. An act providing a uniform law for the transfer of securities to and by fiduciaries in the District of Columbia;

H.R. 10068. An act to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes;

H.R. 11522. An act to amend the act of August 26, 1935, to permit certain real property of the United States to be conveyed to States, municipalities, and other political subdivisions for highway purposes;

H.R. 11787. An act to authorize a continuation of flight instruction for members of the Reserve Officers' Training Corps until August 1, 1964;

H.R. 12052. An act to extend the Defense Production Act of 1950, as amended, for an additional 2 years;

H.R. 12265. An act to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States;

H.R. 12346. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury;

H.R. 12570. An act to amend section 303(c) of the Career Compensation Act of 1949 by imposing certain limitations on the transportation of household effects; and

H.J. Res. 627. Joint resolution to authorize appropriations incident to U.S. participation in the International Bureau for the Protection of Industrial Property.

#### SENATE BILLS, JOINT RESOLUTIONS, AND CONCURRENT RESOLUTION REFERRED

Bills, joint resolutions, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1578. An act for the relief of Ralph E. Swift and his wife, Sally Swift; to the Committee on the Judiciary.

S. 1701. An act for the relief of Hajime Asato; to the Committee on the Judiciary.

S. 2201. An act to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities"; to the Committee on Veterans' Affairs.

S. 2363. An act to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons and for other purposes; to the Committee on the District of Columbia.

S. 2429. An act to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, as amended; to the Committee on the Judiciary.

S. 2626. An act for the relief of Zlata Dumlijan and Djuro (George) Kasner; to the Committee on the Judiciary.

S. 2757. An act to supplement the Act of June 14, 1926, as amended, to permit any State to acquire certain public lands for recreational use; to the Committee on Interior and Insular Affairs.

S. 2872. An act for the relief of Ennis Craft McLaren; to the Committee on the Judiciary.

S. 2914. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways; to the Committee on Interior and Insular Affairs.

S. 2932. An act to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody; to the Committee on the Judiciary.

S. 2959. An act to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit; to the Committee on Interior and Insular Affairs.

S. 3030. An act for the relief of Michiko (Hirai) Christopher; to the Committee on the Judiciary.

S. 3076. An act for the relief of Daisy Pong Hi Tong Li; to the Committee on the Judiciary.

S. 3108. An act to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 3118. An act for the relief of Hadji Benlevi; to the Committee on the Judiciary.

S. 3169. An act for the relief of Edward C. Tonsmeire, Junior; to the Committee on the Judiciary.

S. 3195. An act to exempt from taxation certain property of the Army Distaff Foundation; to the Committee on the District of Columbia.

S. 3212. An act to direct the Secretary of the Interior and the Administrator of General Services to convey certain public and acquired lands in the State of Nevada to the County of Mineral, Nevada; to the Committee on Interior and Insular Affairs.

S. 3260. An act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas; to the Committee on Public Works.

S. 3267. An act to amend the act of October 17, 1940, relating to the disposition of certain public lands in Alaska; to the Committee on Interior and Insular Affairs.

S. 3357. An act for the relief of Renato Granduc and Grazia Granduc; to the Committee on the Judiciary.

S. 3399. An act to authorize the exchange of certain property within Shenandoah National Park, in the State of Virginia, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 3406. An act for the relief of Edward W. Scott III; to the Committee on the Judiciary.

S. 3408. An act for the relief of Mrs. Maria Giovanna Hopkins; to the Committee on the Judiciary.

S. 3416. An act to provide for the restoration to the United States of amounts expended in the District of Columbia in carrying out the Temporary Unemployment Compensation Act of 1958; to the Committee on the District of Columbia.

S. 3506. An act for the relief of Athanisia G. Koumoutsos; to the Committee on the Judiciary.

S. 3558. An act to authorize and direct the transfer of certain Federal property to the Government of American Samoa; to the Committee on Armed Services.

S. 3623. An act to designate and establish that portion of the Hawaii National Park on the island of Maui, in the State of Hawaii, as the Haleakala National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 3648. An act to authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency, title to certain real property in said District; to the Committee on the District of Columbia.

S. 3650. An act to supplement and amend the act of June 30, 1948, relative to the Fort Hall Indian irrigation project, and to approve an order of the Secretary of the Interior issued under the act of June 22, 1936; to the Committee on Interior and Insular Affairs.

S. 3733. An act to place the Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with United States Naval Academy graduates; to the Committee on Armed Services.

S.J. Res. 68. Joint resolution providing for the establishment of the New Jersey Tercentenary Celebration Commission to formulate and implement plans to commemorate the three hundredth anniversary of the State of New Jersey, and for other purposes; to the Committee on the Judiciary.

S.J. Res. 152. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson; to the Committee on House Administration.

S.J. Res. 176. Joint resolution authorizing the preparation and printing of a revised edition of the Constitution of the United States of America—Analysis and Interpretation, published in 1953 as Senate Document No. 170 of the 82d Congress; to the Committee on House Administration.

S.J. Res. 186. Joint resolution to provide for the designation of the first Tuesday after the first Monday in November of each year as "National Voters' Day"; to the Committee on the Judiciary.

S.J. Res. 202. Joint resolution providing for the designation of the week commencing October 2, 1960, as "National Public Works Week"; to the Committee on the Judiciary.

S.J. Res. 203. Joint resolution to designate the first day of May each year as Law Day in the United States of America; to the Committee on the Judiciary.

S.J. Res. 209. Joint resolution providing for the establishment of an annual National Forest Products Week; to the Committee on the Judiciary.

S. Con. Res. 107. Concurrent resolution providing for printing for the use of the Senate Committee on the Judiciary additional copies of certain publications of its Internal Security Subcommittee; to the Committee on House Administration.

#### BILLS PRESENTED TO THE PRESIDENT

Mr. BURLISON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 1844. An act to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended by the Acts of July 2, 1940, and July 12, 1950;

H.R. 4786. An act declaring certain lands to be held in trust for the Cheyenne River Sioux Tribe of Indians of South Dakota;

H.R. 5888. An act to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands;

H.R. 7966. An act to amend section 601 of title 38, United States Code, to provide for the furnishing of needed services of optometrists to veterans having service-connected eye conditions;

H.R. 8315. An act to authorize the Secretary of the Army to lease a portion of Fort Crowder, Mo., to Stella Reorganized Schools R-1, Missouri;

H.R. 10108. An act to authorize reimbursement of certain Veterans' Administration beneficiaries and their attendants for ferry fares, and bridges, road, and tunnel tolls;

H.R. 10644. An act to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title, and for other purposes;

H.R. 10695. An act to provide for rotation in overseas assignments of civilian employees under the Defense Establishment having career-conditional and career appointments in the competitive civil service, and for other purposes;

H.R. 11646. An act to amend the act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton, as amended, by

defining certain offenses in connection with the sampling of cotton for classification and providing a penalty provision, and for other purposes;

H.R. 12263. An act to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes;

H.R. 12381. To increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates, and for other purposes; and

H.R. 12415. An act to amend section 6387 (b) of title 10, United States Code, relating to the definition of total commissioned service of certain officers of the naval service.

#### ADJOURNMENT

Mr. STRATTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, June 30, at 10:30 o'clock a.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2306. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, relative to plans for works of improvement relating to the following watersheds: Franktown-Parker tributaries of Cherry Creek, Colo.; Upper Josephine-Jackson Creek, Fla.; Sandy Creek, Ga.; Waiānae Iki Waiānae Nui, Hawaii; French Lick Creek, Ind.; Bentonla, Miss.; Upper Gila Valley Arroyos No. 1, N. Mex.; East Keechi Creek, Tex.; and Beaver Creek, Va., pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

2307. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, relative to a plan for works of improvement relating to the following watershed: Town Fork Creek, N.C., pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

2308. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 1, 1960, submitting a report, together with accompanying papers and an illustration, on a review of reports on Rye Harbor, N.H., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on July 19, 1956 (H. Doc. No. 439); to the Committee on Public Works and ordered to be printed with one illustration.

2309. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 13, 1960, submitting a report, together with accompanying papers and illustrations, on a review of reports on Little Sandy River and Tygarts Creek, Ky., requested by resolutions of the Committee on Public Works, U.S. Senate and House of Representatives, adopted July 22, 1950 and June 27, 1950 (H. Doc. No. 440); to the Committee on

Public Works and ordered to be printed with illustrations.

2310. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 21, 1960, submitting a report, together with accompanying papers and illustrations, on a survey of Pearl River and tributaries, Mississippi, authorized by the River and Harbor Act approved March 2, 1945, and the Flood Control Act approved July 24, 1946 (H. Doc. No. 441); to the Committee on Public Works and ordered to be printed with two illustrations.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 12566. A bill to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals; without amendment (Rept. No. 2030). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 12563. A bill to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions; without amendment (Rept. No. 2031). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. H.R. 1319. A bill to amend section 13(h)(2) of the Surplus Property Act of 1944 so as to eliminate the requirement that property conveyed for historic-monument purposes under such section must have been acquired by the United States on or before January 1, 1900; without amendment (Rept. No. 2032). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 12659. A bill to suspend for a temporary period the import duty on heptanoic acid; without amendment (Rept. No. 2033). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 9732. A bill to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity; with amendment (Rept. No. 2035). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEILL: Committee on Rules. House Resolution 586. Resolution providing for the consideration of H.R. 10876. A bill to amend section 22 (relating to the endowment and support of colleges of agriculture and the mechanic arts) of the act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land grant institutions; without amendment (Rept. No. 2036). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 587. Resolution for consideration of Senate Joint Resolution 170. Joint resolution to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of U.S. delegates to such convention, and for other purposes; without amendment (Rept. No. 2037). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 588. Resolution for consideration of H.R. 12311, a bill to extend for 1 year the Sugar Act of 1948, as amended; without amendment (Rept. No. 2038). Referred to the House Calendar.

Mr. ANDREWS: Committee of conference. H.R. 11389. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 2039). Ordered to be printed.

Mr. MAHON: Committee of conference. H.R. 11998. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 2040). Ordered to be printed.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SAUND: Committee on Interior and Insular Affairs. H.R. 10154. A bill to validate a certain conveyance of land in Riverside County, Calif., made on September 28, 1885, by the Southern Pacific Railroad Co. and others; with amendment (Rept. No. 2034). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H.R. 12870. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market-adjustment and price-support programs for wheat; to the Committee on Agriculture.

By Mr. BROYHILL:

H.R. 12871. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; to the Committee on the District of Columbia.

By Mr. DONOHUE:

H.R. 12872. A bill to create and prescribe the functions of a National Peace Agency; to the Committee on Foreign Affairs.

By Mr. INOUE:

H.R. 12873. A bill to designate and establish that portion of the Hawaii National Park on the island of Maui, in the State of Hawaii, as the Haleakala National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KASEM:

H.R. 12874. A bill to provide that camper coaches, slide-in cabins, and other articles similar or related in use to house trailers shall not be subject to the manufacturers excise tax on motor vehicles; to the Committee on Ways and Means.

By Mr. MASON:

H.R. 12875. A bill relating to the credit against the estate tax for the amount of gift tax paid on a gift of property which is included in the gross estate of a decedent; to the Committee on Ways and Means.

By Mr. MICHEL:

H.R. 12876. A bill to amend section 110 of the River and Harbor Act of 1958 with respect to the Illinois and Mississippi Canal; to the Committee on Public Works.

By Mr. PORTER:

H.R. 12877. A bill to provide that the Legislative Reference Service of the Library of Congress shall conduct additional studies of foreign trade interests within the United States; to the Committee on House Administration.

By Mr. THOMSON of Wyoming:

H.R. 12878. A bill to amend section 7 of the Trade Agreements Extension Act of 1951, as amended; to the Committee on Ways and Means.

By Mr. FLYNN:

H.R. 12879. A bill to provide that the income tax on individuals shall not exceed 52 percent of the taxable income for the taxable year; to the Committee on Ways and Means.

By Mr. PUCINSKI:

H.R. 12880. A bill to amend the National Labor Relations Act to make it an unfair labor practice for an employer or a labor organization to discriminate unjustifiably on account of age; to the Committee on Education and Labor.

By Mr. FULTON:

H. Con. Res. 705. Concurrent resolution extending the felicitations and best wishes of the American people to the Royal Society of London on the occasion of its Tercentenary Celebration; to the Committee on Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DIXON:

H.R. 12881. A bill conferring jurisdiction on the Court of Claims to make findings with respect to the amount of compensation to which certain individuals are entitled as reimbursement for damages sustained by them as a result of the cancellation of their grazing permits by the U.S. Air Force, and to provide for payments of amounts so determined to such individuals; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 12882. A bill for the relief of Cornelis Jacobus Overbeek; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 12883. A bill for the relief of Michael A. Zuppas; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 12884. A bill for the relief of Lamberto Lencioni; to the Committee on the Judiciary.

By Mr. HULL:

H.R. 12885. A bill for the relief of Anna Stanislaw Ziolo; to the Committee on the Judiciary.

H.R. 12886. A bill for the relief of Min Ja Lee; to the Committee on the Judiciary.

By Mr. IRWIN:

H.R. 12887. A bill for the relief of Giuseppa Siragusa; to the Committee on the Judiciary.

By Mr. KASEM:

H.R. 12888. A bill for the relief of David G. Trueman; to the Committee on the Judiciary.

By Mr. KILDAY:

H.R. 12889. A bill for the relief of Richard O. Wolff; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 12890. A bill for the relief of Fausto Baleares Nonisa, Jr.; to the Committee on the Judiciary.

By Mrs. MAY:

H.R. 12891. A bill to exempt from taxation certain property of the American Association of University Women, Educational Foundation, Inc., in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MOORE:

H.R. 12892. A bill for the relief of Mrs. Kwong Shui Yiu; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 12893. A bill for the relief of Maria Gronck; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

514. By Mr. CANFIELD: Resolution of the New Jersey Rehabilitation Commission supporting the principle of H.R. 4700 and S. 3503 providing for medical and surgical care for the disabled and aged within the framework of an "insurance within insurance" concept; to the Committee on Ways and Means.

515. By Mr. CUNNINGHAM: Petition of the Nebraska Water Pollution Control Council concerning nonreimbursable public values and multiple use of Federal water impoundment works; to the Committee on Public Works.

516. By Mr. DOOLEY: Resolution of the Civic and Business Federation White Plains (N.Y.) Chamber of Commerce, that Federal school construction financial assistance is unneeded, unnecessary, and undesirable, and in that wise it wholly and fully concurs with the U.S. Chamber of Commerce in its organized effort to defeat H.R. 10128 and any other proposed legislation of like nature and purport; to the Committee on Education and Labor.

517. By the SPEAKER: Petition of Arthur D. Woolaway, State chairman, Republican Party of Hawaii, Central Committee, Honolulu, Hawaii, relative to extending thanks for the establishment of an East-West Cultural Center in Hawaii, and requesting adequate appropriations to carry out the operations thereof; to the Committee on Foreign Affairs.

## EXTENSIONS OF REMARKS

### Senator McGee's "Senate Summary"

#### EXTENSION OF REMARKS

OF

### HON. PAT McNAMARA

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29, 1960

Mr. McNAMARA. Mr. President I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a news release entitled "Senate Summary," issued by the office of the junior Senator from Wyoming [Mr. McGEE]. This particular release is dated June 15, 1960, and discusses, among other things, many phases of our foreign relations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### SENATOR GALE McGEE'S SENATE SUMMARY

Fellow Wyomingites, during the Memorial Day recess of the Senate, I was privileged to attend the Bilderberg Conference in Burgenstock, Switzerland. A colleague, Senator HUGH SCOTT, Republican of Pennsylvania, and I were the Members of the Senate attending. Members from the parliaments of the other NATO countries of Western Europe, diplomats, and leaders of business and industry were also present. Presiding over the series of meetings was H.R.H. Prince

Bernhard of the Netherlands. To assure frank and uninhibited discussion, the meetings were closed to the press, all comments were off the record, and no conclusions were formalized. The transportation costs, moreover, were paid by a private foundation rather than by the taxpayer. It was felt that only in these ways could men high in the governments of the world be encouraged to speak bluntly on the issues of the day.

Coming as it did in the wake of the collapse of the Paris summit meeting, our deliberations in Switzerland became, in fact, a sort of "pick-up-the-pieces" conference. While there were no group conclusions, it is permissible to share with you some of the individual and personal observations picked up in private conversations with persons from 10 or a dozen governments of the world.

Almost without exception there was agreement that the United States had stumbled badly in the early phases of the U-2 incident. Criticism of our handling of the U-2 seemed to center around three aspects: (1) the timing of the U-2 flight itself, (2) the President's decision to take full, personal responsibility, and (3) the handling of the news releases of the incident by Washington.

Mindful of the fact that there may have been deeply rooted intelligence reasons for a special U-2 flight as near the summit conference as the fateful flight of pilot Powers was, the thought prevailed, nonetheless, that the time was unfortunate and may even have been an unnecessary risk to have taken.

In regard to the second criticism, it was pointed out that the President's personal

assumption of responsibility more than any other single development provoked the inexcusable and unfortunate tirade of Mr. Khrushchev against President Eisenhower. The consensus was that espionage is dirty business at best and necessary, but that the head of state can never afford to be personally identified with it. To do so calls into question the legal and ethical position of his government at the same time that it places in jeopardy the treaty relationship of his friends and allies. For example, it will now be increasingly difficult for Turkey, Pakistan, and Norway to permit our continued use of bases on their territory for our own purposes.

And criticism regarding the handling of the news releases on the incident in Washington centered on the obvious ineptness of the bureaucrats in the Capitol. It was clearly a case of the left hand not knowing what the right hand was doing. Quite obviously there was no one minding the store at this critical moment. The Secretary of State, Mr. Herter, was in Turkey; the President was in Gettysburg; and in Washington there was a merry-go-round of conflicting statements coming out of the NASA (National Aeronautics and Space Administration), the CIA (Central Intelligence Agency), the Department of State, and the White House.

What disturbed many of our friends was the thought that we in the United States were attempting to hide a clearcut mistake behind a facade of unity. The fear was expressed also that we were dangerously exploiting the loyalty of our allies.